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Japan

Details of Tariff Cut Plans Submitted to GATT

OW0303032992 Tokyo KYODO in English 0239 GMT 3 Mar 92

[Text] Geneva, March 2 KYODO—Japan submitted its plans Monday for revising trade protection relating to about 6,800 items of industrial, forestry, and fisheries products at global trade talks, Japanese officials said.

The report, more than 400 pages long and including item-by-item tariff schedules for 6,500 items of industrial products as well as forestry and fisheries products, was submitted to the Secretariat in Geneva of the General Agreement on Tariffs and Trade (GATT), the sponsor of the Uruguay Round of trade talks.

Japan is expected to submit a separate list of tariff plans for 1,400 items of farm produce later this week.

The list, however, will exclude rice as well as dairy produce, since Japan is opposed to the idea mooted by GATT Chief Arthur Dunkel of converting all nontariff barriers for farm produce to tariffs, Japanese officials said.

Japan says the scheme would force the opening of its rice market and cause serious problems for domestic farmers.

GATT member nations taking part in the Uruguay Round of global trade talks were supposed to submit their tariffication plans by Sunday but only a limited number of countries did so.

Some countries, such as Japan, plan to submit separate lists for industrial and farm products.

The Japanese report said Tokyo will unilaterally abolish tariffs on 1,000 of the 6,500 items of industrial goods on the list, realize an average 50 percent tariff reduction and reciprocally abolish tariffs on 2,400 items.

The weighted averages of proposed Japanese tariff cuts on forestry and fisheries products were given as 47 percent and 18 percent respectively.

Meanwhile, member nations of the European Community (EC) agreed Monday in a meeting in Brussels to submit their tariff plans to the GATT Secretariat after several more days.

The plans will be a revised version of country-by-country lists worked out by the EC Commission, conference sources said.

Officials Research for GATT Report in U.S.

OW0203084892 Tokyo KYODO in English 0819 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—Two Japanese Farm Ministry officials are visiting the United States and Western Europe to look into their preparation of reports on reducing farm trade protection for world trade talks, ministry officials said Monday.

Jiro Shiwaku, vice minister for international affairs at the Agriculture, Forestry, and Fisheries Ministry, left for the U.S. on Sunday while Hisao Azuma, director general of the ministry's International Department, left on a tour of European Community (EC) member nations Monday, the officials said.

Member nations of the General Agreement on Tariffs and Trade (GATT) participating in the Uruguay Round of trade talks are required to submit item-by-item plans for reducing farm trade protection in response to a GATT draft accord to liberalize global trade.

Shiwaku and Azuma are expected to return to Tokyo later this week after gathering information on a late February meeting between U.S. and EC officials on the Uruguay Round in Brussels.

EC nations are not giving specific schedules for tariff reduction in their reports on grounds the GATT-proposed reduction rates for export subsidies, market access, and domestic protection are lacking in balance, the officials said.

Japan, meanwhile, is providing to GATT this week a report on farm trade separate from one on manufactured imports, the officials said.

U.S. Ruling on Canadian Hondas Causes Concern

Kozo Watanabe Voices Displeasure

OW0303033992 Tokyo KYODO in English 0331 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Japanese Trade Minister Kozo Watanabe expressed displeasure Tuesday at a U.S. ruling that would put duties on cars from Honda Motor Co.'s Canadian plant imported into the United States.

Watanabe, head of the Ministry of International Trade and Industry (MITI), said he is "concerned that the U.S. may be discriminating against foreign companies."

At a press conference, he termed "unclear" provisions on certificates of origin, under which the U.S. authority concluded that the Honda cars did not contain the U.S. local content.

The U.S. Customs Service ruled Monday that the Honda Civic models assembled at its Canadian plant failed to meet the local content provision of the U.S.-Canada Free Trade Agreement, under which cars can cross the U.S.-Canadian border duty-free only if 50 percent or more of the vehicles' content is locally produced.

The MITI chief said the Japanese Government will ask Washington to drop the decision if it is discovered that Japanese companies have been treated unevenly.

But for the time being, he said, the government will watch how negotiations on the issue progress between the U.S. and Canada, which is disputing the U.S. charge.

Honda President Assails Ruling

OW0303052892 Tokyo KYODO in English 0456 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Honda Motor Co. expressed regret Tuesday at a U.S. customs ruling that Honda's Canada-built Civic passenger model imported into the United States is liable for import duties.

"It is extremely regrettable," said Nobuhiko Kawamoto, president of the Japanese automaker. "It (the U.S. ruling) can hardly be understandable."

The Tokyo-based company said engines mounted on the Civic model have been ruled by the Canadian Government as built in North America since they are all produced at Honda's U.S. plant in Ohio.

The U.S. Customs Service announced Monday that Honda Civics did not qualify for duty-free benefits under the U.S.-Canada Free Trade Agreement.

The announcement said only products with a local-content ratio of at least 50 percent are eligible for duty-free imports.

Honda said it will wait for results of U.S.-Canadian negotiations on the issue.

U.S. Trade Representative Carla Hills said U.S. and Canadian officials will meet to straighten out the differences.

Gorbachev Informs Nakasone of Visit Schedule

OW0203234292 Tokyo KYODO in English 2327 GMT 2 Mar 92

[Text] Moscow, March 3 KYODO—Former Soviet President Mikhail Gorbachev will make a visit to Japan April 11 to 22, former Japanese Prime Minister Yasuhiro Nakasone said following a meeting with him in Moscow Monday.

Nakasone met Gorbachev over a dinner Monday at an office of the Gorbachev Foundation. During the meeting, Gorbachev informed the former prime minister of the schedule of his planned visit to Japan, Nakasone told reporters.

Gorbachev was informed by Nakasone that arrangements have been made for him to meet Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe during the visit.

Nakasone also told the former president that it is likely he will have an opportunity to meet Emperor Akihito.

Nakasone will head a welcoming commitee for Gorbachev's visit.

Gorbachev previously visited Japan last April.

Spokesman Comments on Yeltsin-Nakasone Meeting

OW0303034992 Tokyo KYODO in English 0338 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The top government spokesman said Tuesday he does not expect a solution to the longstanding territorial dispute with Russia during Russian President Boris Yeltsin's planned September visit here.

Chief Cabinet Secretary Koichi Kato said Yeltsin adhered to his "cautious" stand on Japan's demand for the return of four islands off Hokkaido in an hour-long meeting Monday with former Prime Minister Yasuhiro Nakasone.

"It was a very important meeting. President Yeltsin gave a frank explanation of the problems he is facing on the territorial issue and it was extremely interesting," Kato said.

But Kato said he did not regard Yeltsin's statements as "more forward-looking than before."

"I don't think the president is saying that when he comes in September there will be an immediate solution," he said.

On Monday Yeltsin told Nakasone in Moscow he hopes to expedite peace treaty negotiations when he visits Tokyo in mid-September.

However, Yeltsin also said this is not an appropriate time to bring up the territorial dispute as the Russian people are preoccupied with domestic worries.

Yeltsin indicated there will be no room for discussion of the territories issue if his reforms fail, Kato said.

Japan is requiring a solution to the territorial dispute over Kunashiri, Etorofu, Shikotan, and the Habomai Islets prior to conclusion of a peace treaty between the two countries.

Kato took note of Yeltsin's hint that he would appreciate more Japanese assistance in overcoming food shortages. But he said Japan plans to adhere to its current policy.

Japan has pledged 6.5 billion yen to the republics of the former Soviet Union.

German Mediation of Islands Dispute Denied

OW0303115292 Tokyo KYODO in English 1113 GMT 3 Mar 92

[Text] Tokyo, March 3 Tokyo - A Japanese Foreign Ministry spokesman Tuesday denied a report that Germany had offered to mediate a longstanding territorial dispute between Japan and Russia.

"This is not true and this is unfounded, so we deny the newspaper report to that effect," spokesman Masamichi Hanabusa told a gathering of foreign correspondents.

"We do not expect Germany to play a role of mediator in this connection," he said, adding, "this is an issue to be resolved between the two countries concerned."

THE NEW YORK TIMES reported last month that German Foreign Minister Hans-Dietrich Genscher had agreed in talks with Japanese Foreign Minister Michio Watanabe to mediate the Russo-Japanese territorial dispute.

Quoting German and Japanese diplomats, the report out of Bonn said Genscher offered to urge Russian President Boris Yeltsin to surrender the four contested islands off Hokkaido, which were seized by the Red Army at the end of World War II.

It said the offer was "part of Bonn's effort to build a new and closer relationship with Japan as Germany emerges as a dominant political and economic power in Europe."

Hanabusa said Genscher expressed no wish last month to intervene in the dispute, nor was he asked to do so by Watanabe.

The spokeman's remarks followed a similar denial issued Monday by a Germany Foreign Ministry spokesman in Bonn. The German spokesman reportedly said, "there was no offer to mediate at any point."

In a meeting with Prime Minister Kiichi Miyazawa, Genscher was quoted by Foreign Ministry officials as having said, "I completely understand the Japanese position that the territorial dispute should be resolved based on the principles of law and justice."

Last November, officials said German Minister of Economics Jurgen Moellemann met with Watanabe and said he would call Genscher, who was just about to meet with Yeltsin, and ask him to state Germany's support for Japan's position on the territorial dispute.

Officials said they are unaware of what transpired after that.

Tokyo To Aid CIS Effort on Nuclear Scientists

OW0203194292 Tokyo KYODO in English 1406 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—Japan will extend 25 million dollars to help an international effort to keep former Soviet nuclear scientists from working for Third World nations, government sources said Monday.

The decision followed announcements that the United States and the European Community would each donate the equivalent sum.

The money is Japan's share of the 100 million dollars advanced countries are expected to spend in order to establish a center for an estimated 5,000 former Soviet nuclear scientists and engineers.

Experts from Japan, Germany, Russia, Italy, France, Britain, Canada, and the United States gathered in Brussels on February 28 to discuss their concerns about a possible brain drain from the Commonwealth of Independent States (CIS), the sources said.

Germany, Russia, and the U.S. warned of the spread of nuclear weapons technology unless industrialized countries quickly assume the financial burden of preventing the flight of CIS scientists.

The center will be set up in Russia to provide a forum and financial resources that will better enable CIS scientists to divert their expertise to developing peaceful civilian technologies, officials said.

In some cases, joint development of peaceful technologies might be pursued between former Soviet scientists and their Western counterparts, they said.

The Japanese Government will also speed up its interministerial coordination to further the goal of preventing nuclear proliferation, the officials said.

The center was proposed by German Foreign Minister Hans-Dietrich Genscher. Genscher spoke with Prime Minister Kiichi Miyazawa about Japan's possible participation in the project when he visited Tokyo last month.

U.S. Secretary of State James Baker secured the consent of Russian President Boris Yeltsin for the project during his trip to Moscow on February 17.

Contribution 'Yet To Be Decided'

OW0303075292 Tokyo KYODO in English 0728 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Foreign Minister Michio Watanabe said Tuesday that Japan need not match the funds pledged by the United States to establish an institute in Russia to preoccupy former Soviet nuclear scientists and prevent a "brain drain" of nuclear know-how.

Watanabe made the remarks to reporters after a morning Cabinet meeting in reference to reports Japan has decided to match the 25 million dollars in contributions pledged by both the U.S. and the European Community.

While Japan's contribution has yet to be decided, he said, it would not be proportionate for Japan to be assessed the same amount as the U.S.

Proposed last month by Germany, the U.S., and Russia, the center aims to engage an estimated 5,000 former Soviet nuclear scientists and engineers in diverting their expertise to developing peaceful civilian technologies. Its sponsors are soliciting some 100 million dollars for its establishment.

Foreign Ministry Spokesman Masamichi Hanabusa told reporters Japan is "anxious to take part in the activities" of the center.

But he said Tokyo is still "not aware of what are the total requirements and how the nations involved will share the total cost." Sources said money is scarce as Japan is coming to the March 31 end of its fiscal year.

But Hanabusa noted that at a meeting of interested parties in Brussels on February 28, a consensus was reached "that there is a pressing need for us to go ahead with establishing the center."

Japan was represented at the conference of experts, along with Germany, Russia, Italy, France, Britain, Canada, and the U.S.

Group To Investigate CIS Arms Export Controls

OW0303130992 Tokyo KYODO in English 1234 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—A mission from Japan, the United States, and Europe will travel to the Commonwealth of Independent States (CIS) in March to check up on its current export control system, Japanese Government sources said Tuesday.

An appropriate export control system is required in the CIS in order to prevent the proliferation of strategic weapons technology, the sources said.

Officials from Japan, the United States, Britain, France, Germany, and Canada will have a preparatory meeting Friday in London to determine each nation's responsibility, they said.

Industrial nations are now pursuing the establishment of a new strategic goods export control system to replace the Coordinating Committee for Export to Communist Areas (Cocom).

The collapse of the former Soviet Union, however, has delayed each CIS member's individual preparations, which include checking export control systems and customs clearance legislation, they said.

If the current CIS export control system is found to be inadequate, the mission is expected to map out a technical assistance program for general trade control, they said.

Banks To Raise Loss Reserves for CIS Loans

OW0303104292 Tokyo KYODO in English 1029 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Japanese commercial banks said Tuesday they have decided to set aside 30 percent of their credits to the Commonwealth of Independent States as loan-loss reserves.

Financial sources said the decision means the total amount of funds for the reserves could exceed 100 billion yen.

They said the debt owed by the former Soviet Union to Japanese banks is estimated at about 4 billion dollars.

The Finance Ministry recently allowed Japanese banks to increase the amount of their taxable loan-loss reserves.

Commercial banks in West European countries, including Germany, have agreed to reschedule their loans to the former Soviet Union for a maximum period of 120 days.

Honda Moscow Office To Research CIS Market

OW0203051992 Tokyo KYODO in English 0441 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—Honda Motor Co. will soon set up a representative office in Moscow to gather data on present market trends and demand for motorcycles and automobiles in the former Soviet republics, company officials said Monday.

The company, however, will not immediately begin direct sales of its vehicles in the Commonwealth of Independent States (CIS), the officials said.

The office will provide Honda with accurate data to analyze market trends and demand in the CIS, as opposed to relying on market research performed by trading firms, they said.

Last year, Honda shipped 117 motorcycles to the former Soviet Union and sold 64 automobiles there after Honda and Kanematsu Corp., a Japanese trading company, opened a vehicle showroom in Moscow in May.

Honda established a representative office in Prague last November to gather data on market trends and demand for automobiles and motorcycles, they said.

Tokyo To Give 25 Million Dollars for UNTAC

OW0303110292 Tokyo KYODO in English 0940 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Japan will make some 25 million dollars available to the United Nations as its share of the 200 million dollars requested by that body to finance start-up costs for the U.N. Transitional Authority in Cambodia (UNTAC) slated to be established in mid-March, Foreign Ministry sources said.

Sources said the Foreign Ministry is now negotiating with the Finance Ministry for 24.9 million dollars, which is proportionate to Japan's current annual assessed U.N. contribution rate of 12.45 percent.

They indicated that Japan, provided it is allowed a more active role in the decision-making process, might be willing to pay a disproportionate share of the costs entailed by UNTAC in monitoring and maintaining the ceasefire in Cambodia, administering the country, and supervising elections.

Washington has unofficially suggested that Japan pick up at least as much as the United States in total funding of UNTAC, which is expected to cost around 2 billion dollars.

The assessed contribution of the United States to the U.N., at about 30 percent, is more than twice that of Japan.

Foreign Minister Stresses Aid to Indochina

OW0303053692 Tokyo KYODO in English 0508 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Foreign Minister Michio Watanabe called on his fellow cabinet ministers Tuesday to show understanding of Japan's official development assistance (ODA) to Cambodia, Vietnam, and other countries in the Indochina region.

Government officials said Watanabe made the call in a cabinet-level meeting on Japan's ODA program.

In response, the ministers of construction, posts and telecommunications, labor, education, and health and welfare sought a greater role in making decisions on ODA disbursements, the officials said.

"We will step up aid through technology transfers and training," Watanabe said, adding Japanese Government has to implement economic aid in a coordinated manner because the ODA program is Japan's key diplomatic card.

Watanabe told reporters after the conference he had acknowledged the need for the government to be more active and stern in ensuring Japanese aid is effectively utilized by recipient countries.

But he said unlike the United States, Japan cannot send dozens of people to recipient countries in Asia to manage its aid programs "as that could lead to charges of interference in internal affairs and economic control."

He noted the U.S. had about 25 personnel managing its aid to the Philippines during the rule of late president Ferdinand Marcos because of numerous instances of aid gone to waste and unkept promises.

"We can't boost our presence in that manner when it comes to Asia," the foreign minister said. "We have no choice but do trust our partner governments."

But Watanabe said Japan nevertheless must address its duty to its taxpayers by carefully monitoring whether recipient governments keep their word and sincerely try to utilize Japanese aid as it was originally intended.

Foreign Ministry Spokesman Masamichi Hanabusa later quoted Watanabe as having told the conference Japan's fourth mid-term ODA plan target can be achieved if the present yen-dollar exchange rate continues.

The plan envisages 50 billion dollars in aid to be extended during the five-year period ending in fiscal 1992, or March 31, 1993.

Watanabe reported the 952 billion yen requested by the government for ODA in the general account budget for the next fiscal year starting April 1 represents a 7.8 percent increase over the previous year's figure.

The government-proposed general account budget is now before the Diet for approval.

Watanabe said the inclusion of the ODA budget from the government savings bureau brings the total envisioned budget for ODA activities in fiscal 1992 to 1.69 trillion yen, an 11.1 increase over the previous year's budget.

Hanabusa said the foreign minister also underlined the need for increasing the activities of local authorities and grassroots nongovernmental organizations.

Watanabe, he said, reported Japanese grant assistance to Cambodia since last year has now reached 5.5 billion yen.

Ministry Says Exports to NIE's 'Surging'

OW0303092892 Tokyo KYODO in English 0815 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Direct investment by the Newly Industrializing Economies (NIEs) in Southeast Asia doubled in 1990 over the year before to top 9 billion dollars, Japanese Foreign Ministry officials said Tuesday.

Investment by the NIEs—South Korea, Taiwan, Hong Kong, and Singapore—in Southeast Asia has exploded during the past few years, the officials said.

They said the growing investment reflects the fast-pitched promotion of the division of labor within the Asian economies and the fast expansion of the consumer market in Southeast Asia.

Intraregional investment in Asia remains active and as a result, Japanese exports such as parts and industrial machines to the NIEs are surging, they said.

This is one of the structural factors that contribute to Japan's trade surplus with other Asian countries.

This system of interdependence based on intraregional investment in Asia could expedite the creation of a free trade area by member countries of the Association of Asian Nations (ASEAN).

Company Invests in Hong Kong Video Software

OW0303123292 Tokyo KYODO in English 1211 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Pioneer Electronic Corp. announced Tuesday that its Tokyo-based subsidiary has invested in a leading Hong Kong video production company.

Pioneer LDC Inc., which produces and distributes software including laser discs in Japan, has put up 45 percent of 8.8 million Hong Kong dollars in new capital for best and original production.

The capital was supplied through Q-Tec Inc., Pioneer's wholly owned subsidiary in Tokyo, officials of the top audio equipment manufacturer said.

Another 40 percent in fresh money was given by Pioneer's group company, Shinwa Engineering Ltd., which serves as it sales agent in Hong Kong, they said.

Pioneer hopes the investment will give it a base in southeast Asia for video production and editing, as well as facilitate its custom software business in the area, they added.

Iraqi Red Crescent Asks End to Assets Freeze

OW0303111492 Tokyo KYODO in English 1010 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Ibrahim Ahmad al-Nuri, president of the Iraqi Red Crescent Society, called Tuesday for the United Nations to lift its economic sanctions against Iraq in order to save the lives of Iraqi children.

In an interview in Tokyo with KYODO News Service, al-Nuri said that at least 30,000 children were killed during the Persian Gulf war and that even a year after the end of the war, 500 children under the age of 5 are still dying every day because of malnutrition, water contamination, and lack of medicine.

The leader of Iraq's version of the Red Cross also said the mortality rate among infants under age 1 has jumped to 170 per 1,000 births, from a prewar level of 38 per 1,000.

'Amid Khalid 'Abd-al-Hamid, head of the society's international bureau, compared the continuation of U.N. economic sanctions to "a chemical war waged against Iraqi children."

Al-Nuri and 'Abd-al-Hamid are in Japan at the invitation of the international relationship association.

The two Iraqi officials said there are "highly political motives" behind the continuation of the economic sanctions, adding that one of the motives is to change the Iraqi Government.

"It is not the business of the United States, or of the United Kingdom, it is the business of Iraq," 'Abd-al-Hamid said.

'Abd-al-Hamid also said the society is asking the Japanese Government to lift a freeze on Iraqi assets in Japan so that Iraq can convert "money to milk and medical equipment to save Iraqi children's lives."

'Abd-al-Hamid also said Japanese officials told the society that the Iraqi request is "a matter under consideration."

"I cannot understand what kind of consideration it is when you consider saving human lives, especially innocent children," he said.

Japan made "a very fast contribution" during the war by giving multinational forces 9 billion dollars, some of which was "converted to missile attacks on Iraqi children," 'Abd-al-Hamid said.

"But when discussing converting frozen assets to milk and medicines, the matter is under consideration. I cannot understand this," he said.

Miyazawa Pledges Yen Loans to Botswana for Road

OW0203060492 Tokyo KYODO in English 0519 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—Prime Minister Kiichi Miyazawa pledged Monday to provide Botswana with 3.66 billion yen in loans to build a road across the Kalahari desert, government officials said.

In a one-hour meeting with visiting Botswana President Quett Masire, Miyazawa said Japan will also send a governmental economic mission in mid-May to strengthen bilateral trade ties and promote private investment, the officials said.

A government survey mission and overseas youth cooperation corps will also be sent to the South African country, Miyazawa was also quoted as saying.

The Botswana president thanked Miyazawa for the Japanese assistance, saying Botswana's dream of constructing a road across the desert will be finally realized, the officials said.

He also reportedly said Botswana will exempt Japanese tourists from entry visa requirements.

Masire arrived in Japan on Sunday for a four-day visit.

He expressed optimism about neighboring South Africa's upcoming March 17 referendum to resolve the dispute over the nation's apartheid policy.

Masire indicated that he thought the public will support those who promote the end of the racial segregation policy, the official said.

After the meeting with Miyazawa, Masire was given an audience with Emperor Akihito and Empress Michiko at an Imperial Palace luncheon.

Government Bank To Extend Credit to Mexico

OW0303110192 Tokyo KYODO in English 0950 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The Export-Import Bank of Japan announced Tuesday it has signed a general agreement on a buyer credit of up to 30 billion yen with Mexico's national power company.

The loan will be utilized for the purchase of Japanese goods and services required for a national energy modernization program being undertaken by the Comision Federal de Electricidad (CFE), bank officials said.

This will be the ninth electric power loan agreement between the bank and Mexico. The first loan was signed in 1966, the officials said.

They said the loan is expected to support the stable supply of electric power, which is indispensable for economic and industrial development of Mexico.

It could also help promote the export of capital goods from Japan, they said.

Miyazawa Plans Domestic Economic Measures

OW0303101392 Tokyo KYODO in English 1005 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—With the 1992 fiscal budget set to be passed by the House of Representatives next week, Prime Minister Kiichi Miyazawa has started planning measures to shore up the faltering domestic economy, sources close to him said Tuesday.

Miyazawa has come under mounting pressure from ruling party and business leaders to take positive steps, including an additional cut in the official discount rate, to stimulate the economy.

The sources said Miyazawa's economic package will consist of three principal measures—a cut in the key discount rate, front loading of outlays set aside for public works projects, and bolstering the stock market.

The ruling Liberal Democratic Party (LDP) and opposition parties resumed debates in the lower house Monday on the government-proposed budget for fiscal 1992, beginning April 1.

Government officials said they hope the budget will be passed by the LDP-dominated lower chamber March 13.

The government has begun working out a stopgap budget for the new fiscal year to cover state finances until the main fiscal program is enacted.

Miyazawa, whose administration has been battered by a series of scandals, is keen to restore his approval rating before the House of Councillors election this summer in which half of the upper house's seats will be up for reelection, the sources said.

The prime minister also will go all out to attain the government's projection of an inflation-adjusted 3.5 percent growth in the Japanese economy in fiscal 1992, the sources said.

The sources said Miyazawa considers another cut in the official discount rate necessary to prop up the sagging economy.

The Bank of Japan lowered the key interest rate three times last year to the present level of 4.5 percent per annum.

Miyazawa hopes the central bank will carry out another rate cut at an appropriate time, the sources said.

The sources said Miyazawa has instructed the Finance Ministry to take measures to reactivate the stock market promptly.

Miyazawa has in mind relaxation of curbs on investment in equities by life insurance firms and propping up the price of the Nippon Telegraph and Telephone Corp. stock through purchases by government-backed institutions, the sources said.

Favors Defense Plan Revision

OW0303033692 Tokyo NHK General Television Network in Japanese 1000 GMT 2 Mar 92

[Text] Diet debate was resumed at the lower house Budget Committee this afternoon. Prime Minister Miyazawa explained his positive view to the parliament again, saying that he hopes to revise the current midterm defense buildup plan one year earlier than originally planned. He wants the revision to take effect starting in fiscal year 1993.

At the lower house Budget Committee meeting which resumed this afternoon, Kansei Nakano, a member of the Democratic Socialist Party [DSP], touched on the revision of the midterm defense buildup plan, for which the government is promoting its study, and said that Japan should spell out a direction to reduce its defense spending as soon as possible after examining a trend in defense buildup by its neighbors. He said that the government should revise the current midterm defense program starting in fiscal year 1993, one year ahead of schedule.

In response, Prime Minister Miyazawa said that he would do his best to revise the defense program as soon as possible. Thus, he explained his positive view again that he wants the revision to take effect in fiscal year 1993.

Toshihisa Matsuura, DSP member, referred to the fact that the Liberal Democratic Party indicated its view at a directors' meeting held last week that it would continue its efforts to summon several witnesses to the parliament to testify about political ethics. He said that Mr. Miyazawa should agree to the idea of summoning relevant people to the parliament to give evidence about the purchase of unlisted Recruit Cosmos shares in Mr. Miyazawa's name.

In response, Prime Minister Miyazawa said that he himself had already submitted documents to the parliament and that he had done all he could to clarify the stock dealing issue. But, he said that he would abide by any decision the Budget Committee may come up with. Thus, he indicated that if the Budget Committee decides to summon relevant people, including his former Secretary Hattori, he would comply with this request.

A round of general questions and answers ended today at the Budget Committee. There will be an in-depth discussion on 3 and 4 March on political reform and domestic economic situation.

Poll: Scandals May Decide Miyagi By-Election

OW0303115192 Tokyo KYODO in English 1109 GMT 3 Mar 92

[Text] Sendai, March 3 KYODO—Recent scandals will be on the minds of most voters when they cast ballots in Sunday's House of Councillors by-election in Miyagi Prefecture, according to KYODO News Service survey results released Tuesday.

The telephone survey of 1,000 eligible voters in the prefecture between February 29 and March 1 showed the scandals will be taken into account at polling booths by 73.1 percent of the electorate.

An upper chamber by-election in Nara Prefecture last month resulted in victory for an opposition-backed candidate who made an issue of a cash-for-favors scandal involving Kyowa Co., a now defunct steel-frame maker.

A loan scandal involving Tokyo Sagawa Kyubin Co., a major parcel delivery firm, has since hit the political world.

Former state Minister Fumio Abe has already been indicted for allegedly accepting 90 million yen in bribes from Kyowa, while former Prime Minister Zenko Suzuki and former state Minister Jun Shiozaki were summoned to testify before the Diet last week in connection with the Kyowa scandal.

A number of conservative and opposition politicians are reported to have links withy Tokyo Sagawa, whose former president was arrested on suspicion of breach of trust in connection with massive loans and guarantees.

Three candidates are running in the Miyagi by-election to fill the seat left vacant by the death of a Social Democratic Party parliamentarian.

Hisashi Tsujihata, 34, is running on the Japanese Communist Party ticket, while the ruling Liberal Democratic Party is fielding 66-year-old Nobuo Onodera. Koki Hagino, 51, is being backed by Rengo Sangiin and three noncommunist opposition parties.

Besides political ethics, whether Japan should open its rice market in response to foreign demands is another hot issue among the electorate.

Some 70 percent of those polled said they would consider candidates' positions on rice market liberalization when voting.

Yokote Found Innocent of Charge in Bribery Case

OW0303065192 Tokyo KYODO in English 0626 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The Tokyo High Court, reversing a lower court ruling, on Tuesday found former Dietman Fumio Yokote innocent of taking bribes from the National Silk Twisters' Association.

The court cleared Yokote, a former House of Representatives member of the opposition Democratic Socialist Party, of the bribery charge, citing a lack of evidence.

The high court ruling came more than three years after the Tokyo District Court handed down a two-year sentence suspended for three years, ruling that Yokote had accepted 2 million yen from the silk makers' group.

Judge Doubts Depositions' Veracity

OW0303141092 Tokyo KYODO in English 1346 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The Tokyo high court on Tuesday overturned the bribery conviction of former opposition Diet member Fumio Yokote for lack of evidence.

Presiding Judge Shinichi Tateyama said he doubted the veracity of key depositions used to convict the 56-year-old Yokote of accepting 2 million yen in August 1982 from the National Silk Twisters' Association (NSTA) for his help during Diet questioning.

Yokote was indicted in April 1986 while serving as a Democratic Socialist Party member of the House of Representatives. He was convicted and sentenced to a suspended two-year prison term in Tokyo district court in November 1989.

In Tuesday's ruling, Judge Tateyama said two association officials who testified against Yokote may have tailored their depositions in an effort to win leniency for themselves.

The Tokyo high public prosecutors' office said Tateyama's decision was "completely unexpected and surely regrettable," but stopped short of saying whether it would appeal to the Supreme Court.

Meanwhile, an emotional Yokote told reporters he felt vindicated by the ruling, adding that it is evidence Japan's judiciary "is still alive."

Yokote is the seventh politician to have his conviction overturned in post-war corruption cases involving Diet members and is the first since 1962, when the Supreme Court cleared former lower house member Shohei Matsuoka.

The high court said there was no evidence to corroborate depositions by the silk association's former director Kiyotaka Oda and Shugo Inoue, its managing director at the time.

Both claimed Yokote, then a member of Japan's fourth largest opposition party, took money in exchange for posing questions favorable to the NSTA in parliament.

Judge Tateyama also said testimony by Yokote's wife and secretary that the former legislator never received the bribe at the lower house members' hall was credible.

Former state Minister Sakonshiro Inamura, who was also indicted in the scandal, was given a suspended prison term of two and one half years in November 1989.

Inamura, who asked Yokote to pose questions on behalf of the NSTA, withdrew his appeal in March 1990 and died in July the same year.

MITI's Watanabe Urges Discount Rate Cut

OW0203234492 Tokyo KYODO in English 2305 GMT 2 Mar 92

[Text] Tokyo, March 3 KYODO—International Trade and Industry [MITI] Minister Kozo Watanabe said Monday night a reduction in Japan's official discount rate is necessary to stimulate the faltering economy.

"The key rate cut will encourage corporate capital spending and housing starts," Watanabe said in a television interview.

The MITI head's call for another rate cut was made shortly after Finance Minister Tsutomu Hata Monday warned his cabinet colleagues and leaders of the ruling Liberal Democratic Party to refrain from commenting on the cut, which is a matter to be decided by the Bank of Japan.

The central bank has cut its base rate, which is applied to its loans to banks, three times in the past 18 months to the present 4.5 percent per annum.

Watanabe stressed that corporate managers are promoting labor-saving investments in the face of labor union demands for shorter working hours and the worsening labor shortage.

Hata Says More Analysis Needed

OW0303024992 Tokyo KYODO in English 0220 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Finance Minister Tsutomu Hata said Tuesday the government should precisely analyze Japanese economic conditions before deciding whether to further ease monetary policy.

Asked to respond to Monday's call by a top business leader for another cut in the official discount rate, Hata said the remarks "apparently reflect his perception that a recognition of economic slowdown is spreading."

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said Monday another cut by the Bank of Japan in the benchmark lending rate was needed to boost deteriorating business confidence.

But the finance minister told a press conference after Tuesday's regular cabinet meeting that while the government takes into account various views and opinions on the economy's health, "we will first make a close examination on the real state of the economy and then take an appropriate step."

"We must study the conditions thoroughly, heeding the voices, before making any decision on the issue," he said.

Hata noted there are also voices in business circles calling for measures to help ease the labor market. Citing the latest labor statistics announced earlier Tuesday, Hata argued the labor market remains by and large tight.

The Labor Ministry said the ratio of job openings to job seekers in January dropped a slight 0.03 percentage point from December to a seasonally adjusted 1.28.

On monetary policy, Hata said there is no difference between the stances of the Finance Ministry and the Bank of Japan.

He also said the yen might not take an upturn again against the dollar for the time being if signs of a budding recovery of the U.S. economy turn out to be true.

But he said the dollar's strength will depress U.S. exports and questioned whether the current exchange rate is really appropriate in terms of economic relations between the U.S. and Japan, or the European Community.

On the resumed budget debate in the Diet, Hata reiterated that the government is not ready to agree to a request by the opposition parties to revise the budget bills.

"That is basically a question that the (ruling Liberal Democratic) Party should handle," the finance minister said. "But we have made all possible efforts in drafting the budget and so are unwilling to agree to such a proposal."

Hata also said his ministry will decide whether to implement public works projects for fiscal 1991 ahead of schedule to boost the economy when the budget bills finally pass the Diet.

But he added, "the government took such a step in the past and we are preparing ourselves for taking the measure in case that is required."

Noda Urges 'Free Hand' for BOJ

OW0303033192 Tokyo KYODO in English 0255 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Takeshi Noda, director general of the Economic Planning Agency, said Tuesday the governor of the Bank of Japan (BOJ) should be given a "free hand" in formulating Japan's monetary policy.

Noda made the remark while commenting on recent calls by politicians and business leaders for a cut in the official discount rate to promote economic recovery.

He expressed concern that such demands would make it more difficult for the central bank to lower the key interest rate, which the bank charges on its loans to commercial banks.

The rate now stands at an annual 4.5 percent, following the last reduction December 30.

Rengo Leader Yamagishi Urges Cut

OW0303092592 Tokyo KYODO in English 0847 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The leader of Japan's largest labor organization appealed Tuesday to the Bank of Japan to lower the official discount rate as soon as possible.

Akira Yamagishi, head of the eight-million member Japanese Trade Union Confederation (Rengo), said employers are more seriously concerned about the economic situation than necessary, dimming prospects for a substantial wage hike for workers.

Yamagishi said the government should implement pump-priming measures in order to help attain a qualitative improvement in people's livelihood.

He singled out measures such as a cut in the official discount rate, front loading of outlays for public works projects, and early Diet passage of the fiscal 1992 budget.

Yamagishi made the appeal in a speech at a meeting of Rengo members who are in the house of councillors.

He said he will deliver the Rengo requests to the government in the near future.

Official Notes Signs of Economic 'Weakness'

OW0203111192 Tokyo KYODO in English 1049 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—A top official of the Ministry of Finance said Monday that the ecomomy is showing signs of weakness at the consumption level.

"We are seeing a sense of frugality in many areas (of consumption)," the official, who spoke on condition of anonymity, said.

He cited as examples the softening business of taxis and night spots.

The businesses in these fields are apparently slowing in the aftermath of the burst of the "economic bubble" and because the stock and real estate markets are faltering, the official said.

But he added that business conditions differ from sector to sector.

"We are still watching closely the effects of the monetary easing (in the past eight months) pervading the fabric of the economy, and whether (the effects) are reaching small companies, and that kind of things," he said.

"We should be very cautious in talking about a further monetary easing since it could create expectations in the market for lower interest rates, and inspire companies to delay borrowing money," he said.

Asked about a growing chorus for cutting the official discount rate again, the official said it is natural that there are various opinions and views on the economy.

"We will be heeding all the voices, and will deal with the situation in a flexible and nimble manner," he said.

Real Estate-Related Lending Remains 'Flat'

OW0303092692 Tokyo KYODO in English 0824 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Japanese bank lending for real estate transactions remained flat in the October-December quarter from the previous three months, the Finance Ministry said Tuesday.

Loans outstanding to real estate businesses by Japanese banks stood at 59,149.2 billion yen at the end of December, down only 200 million yen from the figure at the end of September, the ministry said.

During the same period, total bank lending grew 2.0 percent to 584,221.5 billion yen, the ministry said.

The marginal decline followed a 0.2 percent slip in the two preceding quarters, a ministry official said.

The latest report is the last of the kind, as the Finance Ministry lifted restrictions on bank lending to real estate businesses at the end of 1991.

The ministry told banks to report their lending to real estate companies every three months when it introduced the administrative curb on such lending in April 1990.

It required banks to restrict the growth rate of their lending to real estate businesses to less than that of their total loans.

The growth of bank lending to property businesses remained smaller than that of the total loans throughout the period of the restrictions, the official said.

"The lending curb made its own contribution to putting a cap on soaring land prices," the official said.

But, the Finance Ministry official added, "the steep upswing in land prices in the late 1980s could have been checked if the restrictions and other land measures had been introduced earlier."

"There are no signs at all that signal an upsurge in bank lending to real estate businesses after the restrictions were removed," he said.

"Transactions on land are quite sluggish now," he said.

The bank lending figure does not include lending to public housing suppliers, which rose a strong 12.0 percent to 5,831.3 billion yen.

In the October-December period, lending by life insurance companies for real estate transactions also remained flat, and that by casualty insurance firms fell 1.9 percent, the ministry said.

Bank lending to construction companies during the quarter picked up 4.1 percent to 35,119.5 billion yen, reflecting robust capital demand in the sector at year's end and brisk orders for public works projects, the official said.

Bank loans to nonbanks edged down 0.1 percent during the three months to 71,472.1 billion yen, the ministry said.

The ministry will continue monitoring bank lending to real estate businesses through Bank of Japan (BOJ) statistics, and will reimpose the restrictions if the lending shows signs of a sharp upturn, the official said.

New Car Sales Said To Decline From Year Ago

OW0203061292 Tokyo KYODO in English 0552 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—New motor vehicle sales in February decreased 3.3 percent from a year earlier to 458,618 vehicles, posting the 10th consecutive month of year-to-year decline, the Japan Automobile Dealers Association reported Monday.

The figure represented a 44.8 percent increase over January's car sales, the association said.

It said passenger cars accounted for 319,815 vehicles, down 4.9 percent from a year earlier. Sales of cars with engine capacities exceeding 2001 cc surged 44.4 percent to 63,359 vehicles but those of subcompact cars fell 12.3 percent to 256,456.

Sales of trucks rose a mild 0.8 percent to 137,239 vehicles, with 125,002 small trucks sold, up 3.2 percent, the association said.

Sales of buses sagged 3.5 percent to 1,564 vehicles, it said.

Only two of 11 major automakers—Suzuki Motor Corp. and Mitsubishi Motors Corp.—reported sales growth.

Sales by Suzuki, Japan's top minicar manufacturer, grew 14.7 percent to 3,923 vehicles, while those by Mitsubishi, an affiliate of Chrysler Corp. Of the United States, posted a 9.4 percent rise to 38,699 vehicles.

Sales by Toyota Motor Corp. declined 1.1 percent to 198,118 vehicles, while those by Nissan Motor Co. slumped 4.2 percent to 111,736 vehicles, the association said.

Passenger Aircraft Industry 'Cycle' Viewed

OW0303104592 Tokyo KYODO in English 1023 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—International Aero Engines AG (IAE), an industry consortium comprising five companies, forecasts that orders for passenger aircraft and engines will pick up in about two or three years.

Roland P. Dilda, president and chief executive officer of IAE, said at a Tokyo press conference, "I believe we have seen this cycle before and there will be a recovery.

"In the short term, there is an overcapacity of aircraft in the market but the medium- and long-term future are most promising."

"The worldwide airline industry suffered losses of 6 billion dollars in 1991 and for the first time ever, airline traffic growth declined 4 percent, showing negative growth, brought about by the recent economic recession," Dilda said.

Passenger airplane orders fell to 467 aircraft, down 38 percent from a year earlier and options for 135 aircraft were canceled, up 245 percent from 1990, according to Dilda.

IAE was set up in the United States in 1985 by Britain's Rolls-Royce, U.S.-based Pratt and Whitney, Japan's Aero Engines Corp., Germany's Motoren-und Turbinen-Union, and Italy's Fiat Avio, to jointly produce engines for passenger aircraft.

The engine manufacturer has won orders worth 7.5 billion dollars for its v2500 turbofan jet engines since its start-up in 1983, and anticipates sales will reach about 20 billion dollars over the next 10 years.

The company currently supplies engines for the A320 series passenger aircraft built by the European consortium Airbus Industri and the MD-80 planes constructed by U.S.-based McDonnell Douglas Corp.

It signed a "letter of intent" with the Chinese Government last year concerning a potentially lucrative contract to supply engines for 150 passenger airplanes, and expects approval from China in mid- year.

Ratio of Job Openings to Job Seekers Drops

OW0303005492 Tokyo KYODO in English 0040 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—The ratio of job openings to job seekers in January dropped below 1.3 for the first time in two years and five months, according to a monthly report released by the Labor Ministry Tuesday.

The report said the ratio of job openings to job seekers in January stood at a seasonally adjusted 1.28, down 0.03 percentage point from December.

The figure means there were 128 job openings for every 100 job seekers in January, ministry officials said.

The ratio has been drifting between the 1.4 and 1.3 levels since the 1.28 recorded in August, 1989.

The officials said the decline in the ratio of job openings to job seekers is attributable to Japan's economic slowdown.

Meanwhile, Japan's seasonally adjusted unemployment rate stood at 2.1 percent for January, the same figure as in December, Management and Coordination Agency officials quoted a preliminary government report as saying.

Seasonally adjusted unemployment has been drifting at the 2 to 2.2 percent-level since June, 1989, the report said.

The size of the work force, including the unemployed, stood at 64.05 million in January, an increase of 970,000 or 1.5 percent over the previous year.

The male work force totaled 38.36 million, up 1.7 percent, and the female 25.69 million, up 1.3 percent.

The number of unemployed in January totaled 1.41 million, an increase of 80,000 or 6 percent over the year before, and consisted of 820,000 men and 590,000 women.

A breakdown of those in work showed there were 8.22 million self-employed, down 0.4 percent from a year earlier, 4.14 million family workers, down 7 percent, and 50.1 million salaried-workers, up 2.5 percent.

By industry, agriculture-forestry accounted for 3.03 million, up 0.7 percent over the previous year, construction 5.87 million, down 1.3 percent, manufacturing 15.49 million, up 3.8 percent, wholesale-retail and food services 14.14 million, down 0.7 percent, and services 14.62 million, up 2.3 percent.

Grass-Roots Antigang Organizations Set Up

OW0303022892 Tokyo KYODO in English 0159 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Grassroots antigang organizations have been established in 17 prefectures nationwide, the National Police Agency reported Tuesday, adding it expects similar groups could be in operation in each of the other 30 prefectures by October.

While a number of the organizations have been operating for a year or more, they all appear to have been emboldened and encouraged by the implementation Sunday of an antigang law designed to facilitate a police crackdown on organized crime.

Funded by local government and citizens groups, these centers to promote the drive-out-the-violent-gangs movements engage in a variety of support activities such as making interest-free loans to cover court expenses in trials against gangs and providing consolation money to the gangs' victims, agency officials said.

These organizations, set up by lawyers and other antigang specialists, also provide a place where citizens can discuss how to handle demands made by the gangs, who traditionally extort money while fronting as debt collectors and mediators in private financial disputes.

Last August, a prefectural citizen's council to "annihilate violent gangs" in Akita Prefecture, northeast Japan, gave 2 million yen to a local residents group to support its drive to force a local affiliate of the Kyokuto-Kai to evacuate its offices.

In Yamanashi Prefecture, some 100 kilometers east of Tokyo, another prefectural center has set up a trust of 550 million yen for the payment of consolation money in 1991 and 1992 to victims of gangs and to cover court expenses with interest-free loans in civil suits against the gangs.

Near the end of 1990, another group in Shimane Prefecture, western Japan, which has not yet been designated as an antigang center, set up a victim's fund designed to compensate people with up to 1 million yen for damage or injuries suffered at the hands of the gangs.

In February, citizens of Fukushima Prefecture, northern Japan, set up the first organization in the nation established to help former gang members find jobs and return to society.

Fifty employers are currently taking part in the council for the return to society of gangs but no gang member has approached the group yet.

At the inaugural meeting of the group, a former gang leader who has since become a barber told the citizens, "it is difficult to return to being a normal citizen since there are always threats and temptations from the syndicate."

Antigang movement support groups have also been established in Miyagi, Tochigi, Gunma, Saitama, Chiba, Nagano, Shizuoka, Ishikawa, Nara, Hiroshima, Fukuoka, Kumamoto, Oita, and Okinawa Prefectures.

Agency Aims To Revitalize Research Environment

OW0203052292 Tokyo KYODO in English 0405 GMT 2 Mar 92

[Text] Tokyo, March 2 KYODO—The Science and Technology Agency said Monday it will revise a law to promote international joint research programs.

The draft bill also includes opening up opportunities for talented Japanese private researchers to temporarily work for national research institutions, agency officials said.

The current law was enacted in 1986 with the aim of promoting exchange among industrial, academic, and government researchers.

The officials said the agency aims to revitalize the research environment in Japan.

The government will submit the revised bill to the current Diet session after the cabinet approves it at a meeting Tuesday.

The revised law allows state-run research institutes to temporarily hire private researchers for a certain period.

It also permits private enterprise to acquire patent rights on technologies that are developed during joint research, or to use them without fees, the officials said.

They said the revised bill will pave the way for foreign enterprises to participate more easily in joint research programs.

Cities Switching From Petroleum to Natural Gas

OW0303092792 Tokyo KYODO in English 0731 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Japanese city gas enterprises are switching from petroleum-based gas to natural gas because it is more stable in supply and pollutes the air less, industry sources said Tuesday.

Both the supply and the price of natural gas, produced in the Pacific Rim area and southeast Asia, are more stable than those of petroleum-based gas, which comes mostly from crude oil from the politically volatile Middle East, the sources said.

Also, natural gas generates less carbon dioxide than other fossil fuels.

An industry estimate shows 21.50 million households and offices throughout Japan use city gas for heating and cooking, while 21.91 million others use propane gas.

Among Japan's 246 public and private gas enterprises, Tokyo and Osaka gas companies completed their conversion to natural gas in 1990, while Toho Gas Co., serving the Nagoya area in central Japan, is expected to complete such a switch in May 1993.

The major gas companies started switching to natural gas after the 1973 international oil crisis.

Among smaller cities, 105 gas enterprises have switched to natural gas, the sources said.

Eleven gas enterprises in Sendai, Hiroshima, Shizuoka, and other cities have announced plans for switching to natural gas.

Major gas companies import liquefied natural gas (LNG) from producing countries by special tankers, while smaller companies buy the gas from large companies by tank trucks or pipelines.

In fiscal 1990 ended in March 1991, Japan imported 36.31 million tons of LNG—27.62 million tons for use by the electric power industry and the rest for use by city gas enterprises.

The government's long-range energy consumption estimate predicts Japan's LNG imports will rise to 55 million tons in 2010, 17.40 millions of that for use by city gas suppliers.

NTT Achieves Soliton Light Pulse Transmission

OW0303041892 Tokyo KYODO in English 0343 GMT 3 Mar 92

[Text] Tokyo, March 3 KYODO—Nippon Telegraph and Telephone Corp. (NTT) has achieved transmission of a "soliton" light pulse at a speed of 10 gigabits, or 10 billion bits, per second over a single optical fiber, covering a distance of one million kilometers, company officials said Tuesday.

The technology could lend itself to large capacity undersea optical cables, high-speed optical switching devices, and superfast optical processors, offering future optical transmission speeds of one trillion bits per second, officials said.

Current commercial telephone technology uses lasers to transmit an information light pulse at a speed of about 2.5 gigabits per second over a single optical fiber.

Because different light frequencies travel at different speeds through an optical fiber, some of the frequencies move faster than others and the pulses start to spread out and run into one another, confusing the signal.

NTT solved this problem by integrating 11 erbium fiber amplifiers and niobic acid lithium-based modulation amplifiers into the 520 kilometer loop of optical cable to boost the speed of the soliton signal to 10 gigabits, they said.

U.S.-based American Telephone and Telegraph Co. and British Telecommunications are also involved in soliton research, officials said.

North Korea

Vice Foreign Minister Chon In-chol Dies

SK0203152292 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 2 Mar 92

[Obituary for Chon In-chol, DPRK Foreign Ministry vice minister]

[Text] Comrade Chon In-chol, vice minister of the DPRK Foreign Ministry, who suffered from incurable cancer and did not respond to treatment, regrettably died on 2 March 1992. He was 68.

Comrade Chon In-chol worked for many years in external relations and devoted himself to implementing our party's external policy. Even at the last moment of his life, he discharged filial duty and loyalty to the party and the leader.

Even though Comrade Chon In-chol has died, the exploits he performed for the party and the revolution will remain for a long time.

[Dated] 2 March 1992

[Signed] The DPRK Administration Council

Kim Chong-il Sends Condolences

SK0203153192 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 2 Mar 92

[Text] Comrade Kim Chong-il sent a wreath to the bier of the late Comrade Chon In-chol.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the Central Committee of the Workers Party of Korea, expressed deep condolences on the death of Comrade Chon In-chol, vice minister of the DPRK Foreign Ministry, and sent a wreath to the bier of the departed on 2 March.

Kim Il-song Receives CIS Military Delegation

SK0303085792 Pyongyang Korean Central Broadcasting Network in Korean 0800 GMT 3 Mar 92

[Text] The great leader Comrade Kim Il-song today received the delegation of the joint Armed Forces of the Commonwealth of Independent States [CIS], led by Colonel General Viktor Samsonov, chief of the general staff and first vice commander-in-chief of the CIS Armed Forces, visiting our country.

Also present were Comrade Choe Kwang, chief of the general staff of the Korean People's Army; Aleksandr Kapto, ambassador extraordinary and plenipotentiary of the Russian Federation to our country; and Georgiy Mariyasov, military attache representing the CIS joint Armed Forces.

The great leader Comrade Kim Il-song conversed with the guests in a warm and friendly atmosphere. The guests presented a gift to the great leader Comrade Kim Il-song.

Delegation Tours Mangyongdae

SK0303041192 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 2 Mar 92

[Text] The visiting delegation of the Armed Forces of the Commonwealth of Independent States [CIS] led by Viktor Samsonov, chief of the general staff and first vice commander-in-chief of the CIS Armed Forces, toured Mangyongdae on 2 March. Comrade Choe Kwang, chief of the general staff of the Korean People's Army [KPA], and KPA Colonel General (Chon Che-son) accompanied the delegation.

In Mangyongdae's native house, the guests were briefed on the respected and beloved leader Comrade Kim Il-song's history of glorious and brilliant struggle and his revolutionary family. Then they observed the carefully preserved historical relics in the house. The guests had their picture taken in front of the native house.

After visiting Mangyongdae, the delegation's head wrote in the guest book: We are very excited and satifisfied with our visit to Mangyongdae where Comrade Kim Il-song, president of the DPRK and general secretary of the Central Committee of the Workers Party of Korea, was born and spent his childhood.

He also wrote in the guest book that Mangyongdae greatly contributes to educating youths in the glorious revolutionary tradition and said that we wish the heroic Korean people new success in socialist construction and in strengthening its defense capability in the present complicated international situation.

After visiting Mangyongdae, the delegation toured Kim Il-song Military University. The guests were briefed on the proud course that the university has traversed under the wise leadership of our party and toured education facilties at the school.

North-South Peace Question Termed Priority

SK2902132892 Pyongyang Korean Central Broadcasting Network in Korean 0012 GMT 26 Feb 92

[NODONG SINMUN 26 February special article: "Attention Must Be Paid to Settling the Peace Question Before Anything Else"]

[Text] In his talks entitled "Let Us Open the Road of the Country's Peace and Reunification by Pooling the Strength of the North and South" with members of the delegations to the North-South high-level talks the great leader, saying that in the sixth round of the North-South high-level talks our fellow countrymen have made a precious first step toward the country's independent and peaceful reunification, explained the principles arising in linking this first step to reunification in the future.

The great leader said that the North and South should adhere to an independent stand and realize great national unity. At the same time they should pay attention to settling the peace question before anything else.

The great leader Comrade Kim Il-song has taught: The North and South should also give priority to solving the peace problem and should take practical measures for guaranteeing the country's peace.

Giving priority to solving the peace problem and taking practical measures for guaranteeing the country's peace is a pressing problem that the North and South should solve in order to guarantee peace for the country and hasten national reunification.

With the historic North-South agreement and joint declaration in effect, the North and South not only have greeted a new occasion for reconciliation, parting with the past filled with with distrust and confrontation, but also foresee a bright prospect for the country's peace and peaceful reunification.

To hasten national reunification by propelling the prevailing situation forward, it is imperative to give priority to solving the peace problem. As is clear to everyone, movements for peace and for easing tension have sprung up in other parts of the world, but the Korean peninsula is still publicly recognized as the most dangerous source of war.

If military tensions escalate and lead to the outbreak of a new war in our country over which the dark clouds of military clashes and war hang heavily, the very survival of the country will be in jeopardy, not to mention national reunification.

The North and South should give priority to solving the peace problem because this is a gateway through which the North and South must pass without fail in the process of implementing the North-South agreement and moving toward reunification.

For the North and South to trust each other and unite, it is imperative to do away with the deep-rooted distrust before anything else. The source of distrust lies in the state of political and military confrontation.

Without giving priority to resolving the peace and military questions between the North and South, it is impossible to conduct dialogue appropriately, or to resolve appropriately any other questions necessary for national reunification, including the implementation of the agreement.

In the past, the South Korean authorities called for exchange before anything else, touting it as if it were a prescription to cure distrust, while ignoring the need to resolve the peace and military questions. Even now they are not free from this kind of thinking.

Given the realities of our country where the military tensions between the North and South have become extremely acute, calling for nothing but exchange in fact expresses a desire to perpetuate the status quo, the division, not a desire for national reunification. Ultimately, it is the same as opposing the exchange itself.

Only when the North and South have gone through the gateway called peace can they realize all such things as reconciliation, nonaggression, and cooperation and exchange between the North and South smoothly and arrive at the final destination called national reunification.

In his talk, the great leader stated the specific tasks for taking practical measures to guarantee peace, along with the need to guarantee peace. For the North and South to guarantee peace, it is imperative for them to cease the arms race and realize disarmament.

The key to the agreement adopted and put into effect by the North and South is a commitment to nonaggression. Since they have committed to nonaggression, pledging not to use force against the other, not to invade the other side with force, and to peacefully settle differences in opinions and disputes through dialogue and negotiations, they should take practical measures capable of guaranteeing nonaggression.

Ending the arms race and reducing the armed forces will truly provide a reliable guarantee for nonaggression. We have advanced numerous peace proposals and arms reduction proposals to remove the danger of war on the Korean peninsula and alleviate tension there. Not increasing the existing armed forces but reducing them to a level at which one cannot invade the opposing side is our consistent stand.

Even while babbling about peace, the South Korean authorities have turned a blind eye to arms reduction and instead call for giving priority to promoting trust. If each side's massive armed forces remain, and if the two sides merely exchange some military personnel or inform each other of military exercises or the movement of military units, they cannot resolve the issue of promoting trust much less provide a guarantee for nonaggression.

The call for giving priority to promoting trust is an excuse to avoid arms reduction. Since the North-South agreement was adopted, the South Korean authorities, babbling about self-dependent defense or self-reliant defense, have increased their military forces and expanded their armaments. This is not an attitude for fulfilling the firm promise for nonaggression and resolving the peace issue. Only when the North and South bring an end to the arms race and achieve arms reduction, thus removing an internal source that threatens peace, can they provide the most reliable guarantee for nonaggression, completely remove each other's suspicion of northward or southward aggression, achieve mutual reconciliation and unity, and resolve the reunification issue.

The withdrawal of U.S. forces from South Korea must be resolved to guarantee peace on the Korean peninsula. Now that the North and South have adopted and effectuated the agreement, it is not necessary for the U.S. forces to remain in the country, and there is no condition for foreign military bases to stay there.

The United States has told the world that it stations its forces in South Korea to deter the threat of southward invasion. Echoing this statement, the South Korean authorities have committed the shameful act of trying to keep the U.S. forces. However, this preposterous excuse is not working any more, when the North and South have promised nonaggression. The South Korean authorities must choose to withdraw the U.S. forces and completely suspend the joint military exercises conducted with the U.S. forces.

Also, to guarantee peace, the nuclear issue must be resolved satisfactorily as elucidated in the Joint Declaration on the Denuclearization of the Korean Peninsula. For almost 40 years, since the sound of war ceased to be heard in Korea, we have been under a U.S. nuclear threat. The South Korean chief executive declared last year that there was no nuclear weapon, and the United States concurred. However, we do not know if there are nuclear weapons in South Korea or if all of them have been removed, and we are still worrying about a nuclear threat.

As we have repeatedly declared, we have no nuclear weapon. We are not building nuclear weapons and have no reason to do so. Developing nuclear weapons that can annihilate fellow countrymen is unthinkable to us.

The South Korean authorities must not conduct a smear campaign about the North's nuclear development but must be sincere in denuclearizing the Korean peninsula by fulfilling their duties and responsibilities under the joint denuclearization declaration.

As the great leader elucidated, if the North and South, giving priority to resolving the peace issue, achieve arms reduction, withdraw foreign troops, resolve the nuclear issue, and take other practical measures to guarantee peace, the dark cloud of armed conflict and nuclear war will be removed, durable peace will prevail, and an excellent condition for peaceful reunification will be provided. People at home and abroad are warmly supporting the proposals and tasks the great leader presented during his talk with the two sides' delegates to the North-South high-level talks and unanimously hope that the nation's march, which made a good start using the effectuation of the North-South agreement as an opportunity, will be followed by tomorrow's reunification. The North and South must firmly adhere to independence, give priority to peace, and make every effort to hasten peaceful reunification based on great national unity.

Daily Says South Arms Buildup 'Running Amok'

*SK0103094292 Pyongyang KCNA in English
0858 GMT 1 Mar 92*

["Invariable Confrontational Stance"—KCNA headline]

[Text] Pyongyang March 1 (KCNA)—The South Korean "Defence Ministry" reportedly decided to introduce 20 Hawk 60s, a British latest-type airforce training plane, and nearly 1,000 French-made anti-aircraft Mistral missiles this year and will take them over by the end of next year.

The South Korean authorities say they decided to introduce weapons and military equipment from Western European countries to "diversify" the weaponry system inclined too much to the United States.

Noting that the South Korean authorities are running amok as ever in arms buildup after the effectuation of the important agreement with the North, a news analyst of NODONG SINMUN today says:

This is a double-faced dealing, a perfidy against us and a challenge to all the fellow countrymen.

Whatever the excuse may be, it is entirely contradictory to the spirit of the North-South agreement containing a commitment to nonaggression that they are persisting in arms buildup, depending on the United States and extending their hands even to West European capitalist countries.

Attaching great importance to the North-South commitment to nonaggression, all the fellow countrymen in the North, South and abroad are demanding in unison that an end be put to arms race and disarmament be realized in order to avoid the use of arms and armed invasion against each other and settle conflicting views and disputes peacefully through dialogue and negotiations.

When the agreement on reconciliation, nonaggression, cooperation and exchange was signed between the North and the South the South Korean authorities described it as a "start toward reconciliation and cooperation" between the North and the South. They, however, incited a war fever, saying "the army must be in strong combat readiness" and "there should be not the slightest vacillation." The undisguised move for arms buildup is nothing but a product of their invariable confrontational stance.

How can confidence be built between the trigger-happy elements who are given to preparations for war, reinforcing their armed forces to invade the other militarily, and the people who oppose war and aspire after peace? The "confidence-building" they called for while opposing disarmament and reinforcing arms is an outcome of the wrong way of thinking of the war-thirsty elements.

The South Korean authorities must stop resorting to such despicable conduct of increasing their military strength and dreaming of a fratricidal war in league with outside forces after signing an agreement on nonaggression with us.

South Blamed for Lack of Nuclear Agreement

SK0103105592 Pyongyang Korean Central Broadcasting Network in Korean 1148 GMT 28 Feb 92

[Commentary by station commentator Yun Pyong-son: "One Must Take a Correct Stand To Solve Problems"]

[Text] On 27 February a contact between the delegations of the two sides was held at Panmunjom in order to discuss the formation and operation of a North-South joint nuclear-control committee.

Because it was the first contact since the North-South Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange and the joint declaration on denuclearizing the Korean peninsula had been put into effect at the sixth round of the North-South high-level talks, people at home and abroad hoped that practical measures would be taken at the contact to completely remove the nuclear threat that has existed for decades and to rescue the nation from nuclear catastrophe.

The outcome of the contact of the two sides' delegations, however, was a far cry from the desire of the people at home and abroad. The South side's unjust attitude toward and stand on the nuclear issue was to blame.

In the contact, our side came up with a draft of a fair, practical, and reasonable agreement on forming and operating the North-South joint nuclear-control committee capable of implementing the joint declaration completely and at the earliest possible date.

The South side, however, did not mention at all the issues of nuclear weapons and bases in the draft agreement on forming and operating the North-South nuclear-control committee that it brought to the last round of contact between the delegations for discussion. It focused only on nuclear inspections and paid scant attention to the discussion and settlement of the measures aimed at implementing the whole range of issues reflected in the joint declaration, failing to come up with any measures aimed at acting in concert to counter a nuclear threat that may come from outside.

Also, in the contact that began discussion of the draft of an agreement, the South side, contrary to the North-South agreement, again avoided issues related to the implementation of the joint declaration on denuclearizing the Korean peninsula, while erecting obstacles to the contact by insisting that the pilot inspection be discussed before other things.

This shows that the South side is trying to erect obstacles to the contact and stall for time rather than solve the issue of denuclearizing the Korean peninsula fairly and completely.

As is widely known, what must be done before anything else in denuclearizing the Korean peninsula involves nuclear weapons and nuclear bases.

While there are no nuclear weapons in the northern half of the republic, there were about 1,000 U.S. nuclear weapons deployed in South Korea. Although the United States indirectly announced through a variety of channels that it has withdrawn nuclear weapons and even the South Korean authorities declared the nonexistence of nuclear weapons, one cannot trust only words for belief in whether the nuclear weapons and nuclear bases still remain in South Korea or all of them have been withdrawn. That can be verified only through an inspection of evidence.

Nevertheless, the South side focused only on inspection and ignored such fundamental issues as the inclusion of the issues of nuclear weapons and nuclear bases in the draft of an agreement. This is unfair in any sense, nor can it be said to be a sincere stand toward fair and complete denuclearization.

Moreover, what infuriated us was that the South side, with unreasonable words and actions and by distorting facts, tried to make it appear that we caused the nuclear issue on the Korean peninsula.

It is universal knowledge who is responsible for the nuclear issue on the Korean peninsula. The U.S. imperialists, driven by their desire to threaten and blackmail someone with nuclear weapons and to dominate the world, began introducing nuclear weapons into South Korea in 1956. This is when the nuclear issue on the Korean peninsula was born, and it became more acute when the U.S. imperialists brought about 1,000 nuclear weapons into South Korea and intensified nuclear threats.

If the U.S. imperialists had not brought nuclear weapons into South Korea and if they had abstained from threatening our people with nuclear weapons, the nuclear issue would not have come into being in the first place.

It is none other than the U.S. imperialists who have caused the nuclear issue on the Korean peninsula to become an issue, along with the South Korean ruling bunches who have placed the nation under nuclear threat by allowing the introduction of nuclear weapons into South Korea. The South Korean authorities can never deny this fact, no matter how vehemently they may try.

It is as brazen as a thief who calls others thieves to distort this stark historical fact and blame others for it. It is a foolish attempt to justify the U.S. imperialists' nuclear policy.

Facts clearly show that the South Korean authorities are bent on going against the joint declaration on the denuclearization, even after the declaration has been put into effect, still clinging to their dependence on outside forces.

To solve the issue of denuclearizing the Korean peninsula commensurate with the desire of the people and world's peace-loving people, it is imperative that the idea of depending on outside forces be abandoned and a stand of national independence be taken. This is the only just way to satisfactorily solve any problems arising between the North and South, including the nuclear issue.

Our people will keep watching to see what kind of stand and attitude the South side will adopt toward the settlement of the nuclear issue.

Abolishing South's National Security Law Urged

SK0303053092 Pyongyang KCNA in English 0451 GMT 3 Mar 92

["'NSL' That Obstructs Inter-Korean Reconciliation Must Be Scrapped"—KCNA headline]

[Text] Pyongyang March 3 (KCNA)—Now that they have signed the North-South agreement and declared its effectuation before the nation the South Korean authorities must abolish the "National Security Law" (NSL) and choose to follow a policy of achieving great national unity, loving the country and the nation, says NODONG SINMUN in a by-lined article today regarding the "Agreement on Reconciliation, Nonaggression, Cooperation and Exchange Between the North and the South" which came into effect.

The article reads in part:

What remains to be done is to carry the North-South agreement into practice.

If the North-South agreement is to be carried out in good faith, the North and the South must renounce the antagonistic policy of confrontation of the past and achieve a great unity of the nation transcending the difference in ideology and system and, above all, take steps to pull down the ideological and institutional barriers that stand in the way of national reconciliation and unity.

The barrier that stands in the way of great national unity is the "NSL" now in force in South Korea.

The "NSL" not only defines the northern half of Korea as an "anti-state organization" and "enemy" but incriminates and imposes harsh penalties upon those who talk about reunification through alliance with communism and with the north, to say nothing of those who visit the North or meet with fellow countrymen from the North in any place.

The South Korean authorities are, in actuality, keeping behind the bars the Rev. Mun Ik-hwan, woman student Yim Su-kyong and other visitors to the North and the pro-reunification Democrats who met and discussed the reunification question with us in a third country, by invoking this evil law.

It is out of the question to implement the wide-range North-South Agreement on Reconciliation, Nonaggression, Cooperation and Exchange while leaving this antinational, anti-reunification evil law intact.

It is too criminal a deed to leave as it is such fascist law at a time when the trend of taking an active part in the movement for national reunification and contributing to the cause of reunification is growing stronger among the fellow countrymen in the North and South and abroad following the adoption of the North- South agreement.

If the South Korean authorities leave the "NSL" intact and refuse to release the imprisoned pro-reunification patriotic figures, it will mean that they have no intention to implement the agreement as they pledged to the nation.

The whole Korean nation will watch the South Korean authorities' conduct hereafter.

Release of 'Political Prisoners' in South Urged

SK0303050792 Pyongyang KCNA in English 0438 GMT 3 Mar 92

[Text] Pyongyang March 3 (KCNA)—Many delegates exposed the human rights violations by the South Korean authorities at the 48th meeting of the U.N. Commission on Human Rights held in Geneva.

Robert Emery, member of the International Association of Democratic Lawyers, said the mass media of the West are misleading world public opinion by turning blind eyes to the human rights violations that continue in South Korea and presenting the South Korean authorities as "defenders of law".

The realities are quite the opposite.

Those jailed as political prisoners in South Korea number thousands.

Some 140 of them have been in prison for 20-40 years.

In Taejon prison, for instance, there are some 50 political prisoners sentenced to 30-40 years or more. Many of them are suffering from tuberclosis, hypertension, cancer, etc.

The "minister of justice" of South Korea notified the "National Assembly" that nearly 30 prisoners die every year in prisons.

The political prisoners can be released only when they sign the "declaration of conversion" giving up their faith.

The South Korean authorities are systematically violating the declaration against torture adopted at the United Nations.

The speaker demanded that the political prisoners be released, the freedom of expression for cooperation with North Korea be guaranteed, the torture and violence encroaching on the dignity and freedom of humanity be stopped and the present juridical system of South Korea on human rights and freedom be revised.

The delegate of the International Association Against Torture cited data exposing the human rights violations by the South Korean authorities, saying:

Primitive tortures are practised in prison and summary punishment is common. Many anti-democratic, anti-human rights laws hold sway and the system of conversion of political views suppresses the freedom of thought.

We urge the South Korean authorities to immediately release all the political prisoners and fulfill their duty under the U.N. accord against torture, maltreatment, misconduct, discrimination and unreasonable punishment and under the international convention on political rights.

Tideland's Conversion Into Rice Farms Noted

SK0303102492 Pyongyang KCNA in English 1007 GMT 3 Mar 92

[Text] Pyongyang March 3 (KCNA)—Three new farms appeared recently on the Changdo tideland-turned fields in North Pyongan Province on the western coast of Korea.

Bright are the prospects of the farms which mainly cultivate paddy rice.

The plots of the farms are so large that all farm work can be done with machines.

With the irrigation and drainage systems highly developed, the water problem, the key point in farming on paddy fields, has been solved satisfactorily.

The network of roads of the farms is well organised.

The farms are stepping up the preparations for farming this year.

Editorial Lauds Implementation of Rural Theses

SK0103114492 Pyongyang Korean Central Broadcasting Network in Korean 0012 GMT 25 Feb 92

[NODONG SINMUN 25 February editorial: "Let Us Hasten the Complete Victory of Socialism by Thoroughly Implementing the Rural Theses"]

[Text] At a time when the entire party, the entire country, and all of the people are vigorously marching to bring about a new upsurge in socialist construction, our people are significantly marking the 28th anniversary of the announcement of the "Theses on the Socialist Rural Question."

The great leader Comrade Kim Il-song has presented the socialist rural theses by embodying the principles of the immortal chuche idea. This historic event was very significant in our country's socialist construction and in our people's struggle for the revolution.

The great leader Comrade Kim Il-song has taught: When collective property is converted into property for all of the people as a result of the thorough implementation of the theses on the socialist rural question presented by our party, the class differences between workers and farmers will disappear; therefore, all social relations will become completely reorganized into those of the working class.

The socialist rural theses are a great struggling program to finnaly resolve the rural issue and to win the complete victory of socialism.

With this program, the differences between urban and rural communities and the class differences between the working class and farmers were removed. Thus, a bright road was opened for building a classless society, which is mankind's long-cherished ideal, and our people have ensured that a new upsurge can be made in all fields of socialist rural construction.

The respected and beloved leader Comrade Kim Il-song, without trivial prejudices and vicissitudes, has given clear answers to successfully resolve the rural issue, which has been most difficult and complicated in socialist and communist construction. This is one of his great achievements in the socialist cause of our times.

A great achievement has been made for a long time in the struggle to carry out the rural theses under the wise leadership of the party and the leader.

The ideological, technical, and cultural revolutions were vigorously carried out in rural communities. Industrial support for agriculture and urban support for rural communities were fully strengthened. As a result, farmers' standards of ideology, technology, and culture have been enhanced immensely. In addition, the material and technical foundations of the rural economy have been consolidated beyond comparison.

Accordingly, agricultural production is being increased more quickly. In recent years, in particular, large-scale irrigation projects have been successfully completed to properly guarantee irrigation work. In addition, the grand nature remaking project—which is to conduct land cultivation in all rice paddies and fields throughout the county—is being implemented. As a result, our country's agricultural production capacity has been significantly developed.

Our people, without being overbearing in the glorious achievements attained in socialist rural construction, are now trying to thoroughly implement the rural theses and to vigorously struggle to hasten the complete victory of socialism.

All the victories and successes in the past in the struggle to implement the rural theses cannot be thought about apart from the wise leadership of the party and the leader, who have concentrated their efforts on resolving the rural issue.

In each period and every stage of the revolution and construction, the great leader Comrade Kim Il-song gave clear answers to all problems in consolidating and developing the socialist rural economy and powerfully led all agricultural working people in implementing the rural theses, thus constantly giving on-the-spot guidance to the rural communities around the country.

The dear leader Comrade Kim Chong-il has wisely led the entire party, the entire country, and all the people so that they can positively support the construction of the rural communities. He has also more firmly built our rural communities' bases in a political, ideological, and class-oriented manner. As a result, he is brilliantly carrying out the great leader's grand plan for socialist rural construction.

A bright prospect has been opened for the socialist rural construction in our country because our party leads it with its outstanding leadership capability and organizational forces.

We are faced with the heavy tasks to hasten the complete victory of socialism by vigorously waging the struggle to implement the rural theses.

In his New Year address the great leader Comrade Kim Il-song set this year as a great year for crops and instructed us to effect a new upsurge in the overall rural construction.

In the glorious 1992 we should more vigorously struggle to implement the rural these to make this another year of the brilliant victory in our country's history of socialist rural construction.

All party members and the working people, first, should have the most correct program for the rural construction and deeply cherish the revolutionary pride and dignity of vigorously advancing along the single road of socialism.

The historical experiences from the socialist construction clearly attested that there is no other way to solve the agricultural problems but the one guided by the rural theses.

The rural theses elucidated by the great leader are the revolutionary banner which makes it possible to fully advance the superiority of the socialist rural economic system and to thoroughly embody the socialist principle and method in rural construction.

We must have a firm belief that our party line and policy are the best and that the socialist cooperative economic system of the rural areas in our country is the best. With such a belief, we should vigorously struggle to move our rural economy to a large-scale communist economy by modernizing and industrializing it even further.

To thoroughly implement the rural theses, it is important to continuously and vigorously push out the three revolutions, ideological, technological, and cultural, in the rural area.

The rural party organizations should strengthen the ideological indoctrination work for farmers as well as their organizational life and unceasingly train them through communal labor and group living to accelerate revolutionization and working classification of farmers, so that all the farmers can put the interests of society and the state over those of individuals and work as befitting the master of the party, the revolution, the fatherland, and the people.

The rural party organizations should especially lead all agricultural workers in firmly setting up the revolutionary view of the leader and keep faithfulness to the party and the leader as a belief, conscience, morals, and a part of life, and thus to repay the benevolence of the party and the leader with great results in agricultural production.

We should strengthen the scientific and technological dissemination work and adult education in rural areas in accordance with the developing situation, so that all agricultural workers can have a high level of technological knowledge of scientific and technological farming. We should also raise the growing new generation as reliable workers for socialist rural construction.

Our task in the rural areas' technological revolution is enormous.

This year we should markedly increase agricultural production by actively promoting better irrigation, electrification, mechanization, and chemicalization in the rural areas and thoroughly implementing the chuche farming method.

We should especially focus on accelerating preparation of this year's farming, accomplishing good irrigation work, and increasing fertilizer. Sectors concerned should produce more modern farm machinery and parts to send to the rural areas so as to hasten the general mechanization of the rural economy.

It is an important task in implementing the rural theses to constantly improve guidance and management of the agricultural cooperative economy.

We should strengthen the agricultural guidance organizations and enhance their functions and roles so that the superiority of the chuche-type agricultural guidance system can be fully advanced.

We should especially enhance the function of the county-level cooperative administration committees that guide the cooperatives on the spot, so as to further strengthen the local guidance of the agricultural cooperative economy and put agricultural production on a high level of science and technology.

The enormous task for the rural economy requires strengthening support to the rural areas in every way. We should take a deep interest in the systemic increase of investment in rural areas and in the smooth supply of the state's material and technological aids.

All the people in the country should advance even higher the excellent trait of materially and spiritually supporting the socialist rural areas with labor.

Our party recently implemented a people-centered policy to improve the living of farmers in cooperatives as well as workers and office workers.

Local party organizations should uphold the party's sublime intention to constantly improve the farmers' living, take positive measures to implement it, and make every effort to prepare better living and working conditions for farmers.

Our people, who advance upholding the best socialist rural construction program that our party presented, will brilliantly consummate the historical cause of complete victory for the socialist society.

'Direct Sales' Store Drawing Crowds in Pyongwon

SK0303061992 Pyongyang Korean Central Television Network in Korean 1100 GMT 26 Feb 92

[Talk by Chang Yong-sil, manager of the Pyongwon County "direct sales store"—recorded]

[Text] Service functionaries at our Pyongwon direct sales store, upholding the party's slogan "We serve the people," are all successfully participating in the Chong Chun-sil movement. Our service functionaries are doing an excellent job in running an 860-square-meter direct sales store filled with consumer goods produced by the county's 76 factories and enterprises and with goods produced by some 1,385 (?home industry) service workers.

As a result, the store is crowded every day with people. In January alone, we overfulfilled the sales plan by 120 percent. As of 12 February, we overfulfilled the monthly sales plan by 6 percent. These achievements are totally the result of the dear comrade leader's wise leadership.

Following Comrade Chong Chun-sil's example, we will increase the number of specified items to 5,000 and that of basic items to 1,000. We will also develop 10-chongbo [9,917 square meters] of mulberry fields and material bases and build 500-square-meter duck sheds, thus positively contributing to improving the living standard of the county.

Article Stresses Superiority of Socialist Commerce

SK0203145392 Pyongyang KULLOJA in Korean No. 12 Dec 91 pp 55-59

[Article by Han Chang-kun: "Giving Full Play to the Superiority of Socialist Commerce Is an Important Guarantee for the Enhancement of People's Living"]

[Text] Our party has designated as an important task for socialist economic construction the enhancement of the people's material and cultural life in conformity with the socialist demand and is wisely leading the struggle to achieve this.

Important in enhancing the people's lives is drastically increasing production of the people's consumer goods by thoroughly implementing our party's policy of light industrial revolution and improving the work of supplying the goods for the people by actively giving full play to the superiority of socialist commerce.

The great leader Comrade Kim Il-song has taught: Socialist commerce is essentially the work of supply for the residents. Therefore, it is very important to develop commerce in order to improve the living of the working popular masses. (Footnote 1) ("The Works of Kim Il-song," Vol 12, p 319)

The basic mission of the socialist commerce conducted by the state and the cooperative organizations for the promotion of welfare and conveniences for working people is the supply work for the people. Socialist commerce, which contributes to the enhancement of the people's lives through the work of supplying goods, has unmatched superiority over the capitalist commerce designed to make money.

The superiority of socialist commerce, which is the manifestation of the superiority of the socialist system, lies in actively promoting the well-being of the working popular masses.

Commerce that specializes in the distribution of goods is used in a capitalist society as a way to become rich and increase value; in a socialist society, where the working popular masses are the masters of the state and society and where everything in society serves the working popular masses, it actively contributes to the enhancement of the people's living.

In a capitalist society, commerce is conducted in a condition comparable to anarchy and in law-of-the-jungle competition aimed at raking in more wealth; in a socialist society, it is highly organized and planned under the unified guidance of the state.

The important superiority of socialist commerce lies in organized and planned commercial distribution to enhance the people's lives to the highest degree.

Giving full play to this superiority of socialist commerce is an important guarantee in actively exalting the superiority of the popular mass-centered socialism of our own style and to enhance the people's lives.

An important reason why giving full play to the superiority of socialist commerce is an important guarantee for the enhancement of the people's living is that, above all, it enables the living of the working people, including workers and farmers, to be enhanced fairly and impartially.

It is the consistent policy of our party to enhance the living of all the working people, including workers and farmers, fairly and impartially.

In enhancing the people's lives fairly, it is very important to correctly utilize the economic leverage of the goods-currency relationship in conformity with the transitional nature of socialist society. In socialist society, because of its transitional nature, goods-currency relationships inevitably exist, and how to utilize the economic leverage of goods-currency relationships becomes a matter of grave importance in economic construction. Therefore, the utilization of the economic leverage of goods-currency relationship shares an important position in the economic policy of the working class party.

We can rapidly enhance the people's lives when the working class party properly takes a series of measures, such as increasing the living allowances of workers and office workers, correctly establishing the government purchase price of agricultural produce, and reducing the prices of goods and various fees in conformity with the progress of socialist construction.

To actively enhance the superiority, function, and role of the socialist commerce that supplies daily necessities for all workers has a special meaning. The demand for the mass consumer goods, which are consumed by all the social members, are different according to locality, season, and age. How to meet the different demands for mass consumer goods is closely related to improving the people's living.

The party's wise leadership has set up a commercial network across the country. Thus, innovations in the commercial sector make it possible to supply goods equally to the workers everywhere: urban areas, farms, fishing areas, or remote mountain villages. The more we try to plan and organize the distribution of the goods, the better we can supply the goods in accordance with the workers' demand by planning and organizing the work to secure, transport, allocate, and sell the goods. If people do not fulfill their responsibilities and roles, losses due to hoarding, shortages, ruin, or damage, are inevitable, no matter how many goods we secure. Under such conditions, we cannot supply the goods in accordance with the workers' demand. Improving the goods distribution process guarantees the people's demand will be met properly, even with a shortage of goods.

As the people's living conditions improve, the demand for mass consumer goods is increasing. To meet the workers' demand for the goods, it is imperative that the production of goods be increased drastically and the supply of goods in the commercial sector be improved in accordance with the demand of the developing situation.

To guarantee improvement in the people's living, it is important to enhance the superiority of the socialist commerce because then producers of consumer goods can strengthen relations among themselves and increase production in time.

To increase the production of daily goods necessary to the people's living is a basic condition in improving the people's material and cultural life.

Socialist commerce produces goods systemically and in a timely way, thus actively contributing to developing the production of consumer goods. The procedure of socialist expanded production is the procedure of a constantly repeated motion in the organic relationship between production, distribution, exchange, and consumption. Failure to fulfill its responsibility by any single chain of the bond of the expanded production would slow the smooth circulation of production and eventually affect production negatively. When commerce fulfills its role, the circulation of production can be improved and the production of goods can be accelerated. Socialist commerce makes it possible to supply goods to the consumers, to bring in orders for goods, to make contracts for the supply and demand of the goods, and to take over the goods, thus contributing to producing the goods in compliance with the residents' demand structure.

Therefore, socialist commerce can stimulate timely production of the consumer goods in compliance with the residents' demand structure in quality and quantity.

Enhancing the role of commercial organizations and strengthening relations among goods producers can prevent not only the production of goods that residents' do not demand but also abuse of the enormous social labor and hoarding of goods, which harm the socialist expanded production. The more we enhance the role of socialist commerce, the more actively we can stimulate the people to produce more goods.

Enhancing the superiority of socialist commerce is an important guarantee to make it possible to continuously promote the people's welfare by producing and supplying more goods according to the people's demand.

Commercial service networks were established everywhere in our country under the wise leadership of the party and the leader, and an excellent material and technological basis has been built in step with progress in economic construction. In this way, improvement could be made in the supply of goods to the people. Commercial offices have established an order system to supply goods and allocated and distributed goods upon the people's demand, thus greatly contributing to improving the people's living standard.

Today when, as a result of our party's correct leadership, socialist commerce is contributing to promoting the workers' welfare, highly displaying socialist commerce's superiority is an important task for further improving the people's living in compliance with socialist requirements.

Socialist commerce superiority is not highly displayed as a matter of course merely when commercial service networks are established and when a material and technological basis is built in the commercial sector. It is highly displayed when all the officials and workers in the commercial sector are positively struggling to thoroughly implement the party's commercial policies.

Important in highly displaying socialist commerce's superiority at present is for commercial offices and officials to improve work to supply goods to ensure that goods are equally distributed to all the workers.

The dear leader Comrade Kim Chong-il has pointed out:

For the people to live well, we must not only produce more daily necessities for their living but also ensure that goods are equally distributed to everyone.

Equally distributing goods to workers to ensure that they receive their share is basic to socialist commerce and one of the fundamental conditions for ensuring equality in material life.

In a socialist society, workers, as masters of state and society, have the right to be supplied with goods depending on the quantity and quality of their labor. How well each worker enjoys this right depends on the level of the development of the country's productivity. In socialist society, the country has not reached a high level of the development of its productivity at which it can supply goods to the workers as they demand. To speedily improve the people's material and cultural living under these circumstances, the country must equally distribute goods to the people according to the level of the development of its productivity and the people's demand.

If goods are not equally distributed to the workers and if, as a result, priority is given to specific people, units, or regions in distributing goods, the workers cannot be equally supplied with goods, and the people's living cannot improve equally.

Giving priority to specific people or cities in distributing goods without equally distributing them to the popular masses is a phenomenon that can be seen in capitalist commerce.

If a socialist country liberalizes commerce to make profits instead of equally distributing goods to the people in a planned way, socialist commerce will not be able to serve the people, and disparity will created in the people's consumption of goods. If disparity is created in the people's consumption of goods, a gap between rich and poor will emerge, and the consequences will hinder overall economic life.

If socialist commerce is to serve the people in name and reality, goods supply work must be done well to ensure that goods are equally distributed to all the regions and people in the country.

A basic way to improve supply work to ensure that goods are equally distributed to workers is to thoroughly implement an order system. Thoroughly implementing an order system is a policy to which our party has consistently adhered in carrying out goods supply work. Only when an order system is implemented thoroughly in goods supply work can the people's lives be equally improved to suit the innate demand of socialist society and commerce contribute to satisfactorily guaranteeing the people's independent and creative lives. Unless an order system is implemented, bureaucratism and subjectivism cannot be removed in socialist society, the mass line cannot be implemented thoroughly, and commerce cannot be developed rapidly.

The main task of socialism is for the state to produce goods at a level comparable to what the advanced countries produce and to impartially supply them to the people with a well organized plan. The commercial services sector is required to control all the goods produced by the state with a well organized plan and, on the basis of the residents' demands, to impartially distribute them.

It is the demand of our party's policy that the working people, who work in important fields with important tasks, should have priority in being supplied with the goods. Supplying goods in order means that they should never be distributed at random, no matter what they are.

The commercial services sector should see to it that the goods are supplied preferentially to the working people who do difficult and hard work, such as in rural areas, coal mines, and other mines, so that they do not experience any inconvenience in living.

Today, an important part in giving full play to the superiority of socialist commerce is to further enhance the level of systemization and planning in the commercial activities.

One of the great superiorities of socialist commerce is that all the commercial activities are conducted in an organized and planned manner. Only in systemized and well planned commerce can the work be done smoothly of supplying goods in conformity with the demand of the socialist economic life, in which production and consumption are performed in a planned manner. In the socialist society, the people's living is systematically improved according to the state's uniform economic development plan under the leadership of the working-class party. Therefore, socialist commerce, which has the basic mission of enhancing the people's living standard, should be systemized and planned well.

If the commercial activities are not systemized and planned, the commercial connection among the different regions and the different production units will not be correctly guaranteed and the connection between production and consumption will not be realized successfully.

To further enhance the level of systemization and planning of the commercial activities means to conduct in a more systemized and planned manner all the commercial activities. This includes expanding the sources of goods, laying the groundwork for the task of guaranteeing the goods, and improving sales work.

The more the commercial agencies and functionaries increase the level of systemization and planning in the commercial activities, the more goods they can secure, distribute to all the working people impartially in conformity with their demand, and actively contribute to accelerating construction of socialism. If the commercial agencies and functionaries perform their activities of selling goods produced in strict accordance with the state plan to the working people in a slack manner, then the superiority of socialist commerce cannot be brought into full play.

All the commercial fields, including wholesale commerce, retail commerce, social food services, and procurement, should secure sufficient goods by vigorously launching the struggle for systemization and planning of the commercial activities. They should impartially distribute the goods to the working people in conformity with their demand by diversifying service organizations and methods.

As the construction of socialism progresses and the working people's living condition improves, it is more urgent to increase the level of systemization and planning of the commercial activities. All the work of securing the goods, improving sales, expanding the commercial facilities, and increasing the services by enhancing the level of systemization and planning of the commercial activities, should be well organized and planned, so that the work can smoothly satisfy the working people's growing demand.

The first requirement in increasing the level of systemization and planning of the commercial activities is to expand the sources of the goods and to have a well organized plan for the work of guaranteeing the goods. Only when we secure more goods by expanding their sources can we supply various goods required for the people's living in a timely fashion.

In addition to this, it is important to fully categorize the demand for the goods by locality, profession, and age and to carry out the work of supplying the goods responsibly.

The experiences of the functionaries in the commercial administration office in Chonchon County, who successfully carried out the commercial work during the last period, prove that the more we plan and organize the commercial service activities, the greater we can contribute to improving the people's living. Using the Our Family Notebook from the beginning, the functionaries of this county fully comprehended the demand and sources of the goods and carried out the work of supplying them based on it. While carrying out the commercial service activities, especially, they prepared many material bases for sending various kinds of tasty and nutritious food to the workers in the county and raised many silk worms to send to the light industry plants, thus actively contributing to improving the living of the workers in the county.

If the commercial service activities would be so planned and organized as by the functionaries of the commercial administration office in Chonchon County, it would be possible to actively contribute to improving the people's living with the existing material and technological basis in the commercial sector.

Therefore, all the commercial organizations and functionaries should plan and organize the commercial activities even better in accordance with the developing situation so that they can create a new turning point in the work of supplying the goods to the workers.

Today, functionaries and workers in the commercial sector face the important task of highly enhancing the superiority of socialist commerce in accordance with the demand of the current situation, in which the socialist construction is being vigorously carried out on a new high stage.

Being deeply aware of the fact that the people's demand for consumer goods can be smoothly met only when socialist commerce fulfills its role, functionaries and workers in the commercial sector should bring about a new turning point in the commercial service activities.

In highly enhancing the superiority of socialist commerce in accordance with the demand of the developing situation, priority should be given to those functionaries and workers in the commercial sector highly displaying the spirit of devotion in serving the people with the appropriate attitute as masters of the revolution.

Functionaries and workers in the commercial sector are in charge of the work of distributing the goods. The success of the work of distributing the goods depends on the functionaries' and workers' work in the commercial sector.

With the endless loyalty to the party and the leader, functionaries and workers in the commercial sector should earnestly and assiduously do the work of distributing the goods responsibly, highly displaying the spirit of devotion in serving the people.

In developing commerce and improving the people's living in accordance with the original feature of socialism and the inevitable demand of the socialist construction, it is significant to strengthen the party's and the state's guidance.

Functionaries of the party, the state, and the administrative guidance organizations should further strengthen commercial guidance and its control system, so that our socialist commerce can truly serve the people both nominally and actually.

Improving the work of supplying the goods for the people through highly enhancing the superiority of socialist commerce is honorable and responsible work to elevate the people's material and cultural life in accordance with socialism's demand.

All functionaries and workers in the commercial sector should be deeply aware of their mission in the van of the party and the revolution and make positive efforts to highly enhance the superiority of socialist commerce according to the party's intention.

South Korea

North Rejects Trial Inspection at 3 Mar Contact

SK0303072592 Seoul TONG-A ILBO in Korean 3 Mar 92 p 1

[Text] North and South Korea held delegates' contacts on the morning of 3 March at the House of Peace in the southern area of Panmunjom and held negotiations on the timing of nuclear inspection and the operation of a Joint Nuclear Control Committee.

In these contacts, the South side demanded that the North and the South provide regulations that specify the procedures and methods of mutual inspection within one month after a Joint Nuclear Control Committee is formed and that the North and the South inspect each other's facilities by May at the latest.

It was learned that the South side today told the North side that if the North side continuously delays inspection, it would have no alternative but to try to handle this issue with the international community, including the United States and Japan, and to withhold economic cooperation.

It was also learned that in response to the South side's opinion, the North side agreed that inspection regulations will be provided "at an earlier date" but refused to specify the timing.

It was also learned that the North side rejected the South side's proposal that trial inspection be conducted within one month after the agreement on subcommittees comes into effect.

Sides Agree to 4 Mar Contact

SK0303093992 Seoul KBS-1 Radio Network in Korean 0900 GMT 3 Mar 92

[Text] Today at the House of Peace in Panmunjom, North and South Korea held the third contact to negotiate the issue of forming and operating the Joint Nuclear Control Committee. They have not narrowed their differences over the date of nuclear inspection. They decided to hold the fourth contact at Tongilgak in Panmunjom at 1000 [0100 GMT] on 4 March and to continue discussing the issue.

At today's contact, our side repeatedly stressed that to conduct nuclear inspection as soon as possible, an inspection date must be stipulated in inspection regulations and a trial inspection be conducted.

Our side changed its proposal that the joint control committee be composed of experts and working-level officials. It proposed that the joint control committee be composed of five or six members with a vice ministerial-level person as its chairman and that a meeting be held once every two months.

The North Korean side, however, claimed, as it did at the second contact, that a separable agreement is necessary to implement the denuclearization declaration. In addition, it repeated its past claim that an international guarantee provision be included in the Joint Nuclear Control Committee to cope with an external nuclear threat.

The North side rejected our side's proposal that trial inspection be conducted within one month after the agreement comes into effect, saying that this is something that should be handled in the Joint Nuclear Control Committee.

North Officials at UN Become 'More Friendly'

SK2902070492 Seoul YONHAP in English 0603 GMT 29 Feb 92

[Text] Seoul, Feb. 29 (YONHAP)—North Korean officials at the United Nations have become more friendly and South-North Korean cooperation there has gone smoothly since the signing of the inter- Korean agreement on reconciliation, Vice Foreign Minister No Chang-hui said Saturday.

"The South and North Korean permanent missions in the United States have become more important since U.N. entry and signing of the agreement," No told reporters.

No was appointed vice foreign minister Thursday after a year as the South Korean ambassador to the United Nations. South and North Korea joined the global body in September last year.

Difficulties lay ahead in South-North Korean nuclear talks, but it was better to seek progress patiently rather than with hasty expectations, No said.

"The United States is likely to continue its efforts with the International Atomic Energy Agency and exert direct pressure on North Korea to solve North Korea's nuclear problem," he said.

Ministry Plans Panel for N-S Sports Exchanges

SK0303021692 Seoul YONHAP in English 0115 GMT 3 Mar 92

[Text] Seoul, March 3 (YONHAP)—The Youth and Sports Ministry has decided that all inter-Korean sports exchanges will be handled exclusively by a joint South-North sports panel to be formed as part of the basic South-North Korean agreement.

Sports talks between the two Koreas are currently separate from other channels such as the prime ministerial talks.

Since a joint sports subcommittee is to be established under the South-North Korean Exchanges and Cooperation Committee, which is to be established shortly as stipulated by the basic accord, sports talks will be conducted only by the official inter-Korean sports panel.

The decision is in line with the government policy of placing all talks on South-North exchanges under joint committees, whose creation is expected to be discussed at an inter-Korean contact slated for the middle of this month.

When the sports subcommittee is formed, the ministry plans to propose fielding a joint team in the group-5 preliminaries of the Asian junior soccer championships in May in Seoul.

But the ministry has decided not to make any further offer for a single Korean representation at the Barcelona Olympics as the North ignored an earlier proposal and since it is now too late to discuss and form a joint team before the Olympics.

North Delegates to UNDP Meeting Interviewed

SK0203092892 Seoul KYONGHYANG SINMUN in Korean 28 Feb 92 p 2

[Interview with DPRK delegates to the UN Development Program meeting in Seoul 27-28 February by No No Ung-kun; date of interview not given; first three paragraphs are introductory]

[Text] It has been learned that North Korea has plans to independently develop the Sonbong and Najin areas in the Tumen River development project, but it has decided to push ahead with the project within the framework of the plan presented by the UN Development Program [UNDP].

The North Korean delegation participating in the first meeting of the Program Management Committee for the Tumen River development project expressed North Korea's basic position on the area's development, saying: "We expect that South Korean enterprises can participate in developing the Songbong and Najin areas in the special economic zone."

In addition, the North Korean delegation said: "The Tumen River area development project is not an economic cooperation project between the North and the South but an international cooperation project. The North-South economic cooperation issue will be discussed at the North-South Exchange and Cooperation Subcommittee, which will be formed in accordance with the agreement made at the high-level talks."

The following is an interview with the North Korean delegates.

[No Ung-kun] What are the prospects for this meeting and for the Tumen River development project?

[Han Tae-hyuk, delegation head] Everything will be fine.

[No] Would you tell me about the preparations for developing the Nanjin and Sonbong special economic zone?

[Han Tae-hyok] Everything goes well so far.

[No] Is it possible for South Korean enterprises to advance into the Najin and Sonbong zone?

[Han Tae-hyok] Yes, I think so. I hope that they can do it.

[No] What is North Korea's plan for the development of the Tumen River area?

[Yim Tae-tok, secretary of the Promotion Committee for External Economic Cooperation] We have our own plan. The Tumen River development project is an international project initiated under the auspices of the UNDP. Thereby, we will harmoniously push ahead with it within the framework of the timetable and plan presented by the UNDP.

[No] Do you think that this meeting could contribute to promoting North-South relations and economic cooperation?

[Yi Song-tok, chief of a section in the Administration Council Secretariat] This meeting is not designed to discuss North-South issues. The North-South issues will be discussed at high-level talks. The economic cooperation issue will be also discussed in the North-South Exchange and Cooperation Subcommittee.

[No] In recent days, Kim Chong-u, vice minister of the Ministry of External Economic Affairs, said that he will take preferential steps for the foreign enterprises that are going to invest in Sonbong and Najin. What do you think of this ?

[Han Tae-hyok] It will happen, as is already known.

North Elites 'Fiercely Loyal' to Kim Chong-il

SK2902010792 Seoul THE KOREA HERALD in English 29 Feb 92 pp 2-3

[Fourth in series of articles entitled "Pyongyang as I See It" by political writer Kang Sang-yun, who covered the sixth round of inter-Korean prime ministers talks in Pyongyang from 18 to 21 February: "N.K. Elite 'Fiercely Loyal' to Kim Chong-il, Guide Says"]

[Text] A North Korean guide, who introduced himself as an associate professor, claimed that all North Korean intellectuals are fiercely loyal to Kim Chong-il who is in line to succeed his father, Kim Il-song.

"I myself am fascinated by his (the younger Kim's) all-embracing political vision," said Chong Kwang-chol aboard a Seoul-bound special train last Friday. "There is no doubt that his is the right person to guide all of us in the right direction."

His view is that Kim Chong-il, who majored in economics at the North's most prestigious Kim Il-song University, will effectively manage North Korea's "self-supporting economy" which he said is bound to encounter some difficulties.

The guide, a research fellow at the "Philosophy Study Center," asserted that there is no credence whatsoever to the prediction in the West that North Koreans might revolt within five years after Kim Chong-il takes absolute power after his charismatic father dies.

"This is totally groundless. It is nothing but a complete fabrication by capitalists," he fumed.

In 1990 alone, six North Korean students who had been studying in Eastern Europe defected to South Korea. The following year three Northern students studying in the now-defunct Soviet Union follwed suit.

The defectors have said that they were disillusioned with Kim Il-song's dictatorial rule, and that there could be a popular rebellion after the elder Kim, who turns 80 on April 15, goes.

The 45-year-old North Korean guide, asked to comment about the defections, contended that they do not represent the elites in the North.

Leading commentators in Seoul and elsewhere have said the collegians' defections might indicate that cracks have already been created in the tightly closed Communist society, and educated persons there were wavering.

"They are all despicable turncoats: They are no intellectuals," the man retorted.

When asked whether intelligentsia in the North, like their counterparts in other countries, have an obligation to expose their society's absurdities, he insisted that all North Koreans are "totally united to preserve socialism."

A Pyongyang reporter also contended that the elites stand firmly behind Kim Chong-il, saying that newsmen were the first educated group to issue a manifesto expressing loyalty to the younger Kim in recent years.

Their stories seemed to be distorted to a large extent, however.

A few years ago two North Korean students came to a group of South Korean reporters in a Moscow hotel to tell their true feelings. They said they had thought North Korea was a good country to live in before coming to Moscow for study.

But that illusion was dashed soon after they arrived in Moscow and became aware of the real picture of South Korea after the 1988 Summer Olympics.

They said they didn't have enough courage to defect to the West out of fear that their families in North Korea might be prosecuted.

Another group of Seoul reporters came across two North Korean students on Moscow streets in the early 1990. One was willing to talk about his life in the Soviet Union, but the other didn't want to tell his feelings.

To be sure, they repeatedly asked the reporters not to print their stories.

According to North Korean defectors, there were some anti-Kim Il-song activities on college campuses in the recent past.

Chang Yong-chol and Chon Chol-u, who fled to Seoul in November 1989 from East Germany while the Berlin Wall was crumbling, disclosed that a student who scattered? leaflets critical of Kim Chong-il on the campus of Kim Il-song University disappeared along with his family.

Another student who denounced the North's economic plight also disappeared, they said.

Robert A. Scalapino, an expert on North Korea and a professor emeritus at the University of California at Berkeley, has reportedly said that the economic hardships have sown discontent among the elites in the reclusive Communist North Korea.

Speaking at a Seoul international seminar on North Korea in October last year, Aidan Foster Carter, a senior lecturer at the University of Leeds in Britain, said it was assumed that core loyal elements are not immune from motivational crisis.

"Even in the uppermost echelons, relative material privilege (a lot to lose) goes along with considerable awareness of the outside world" he said.

"Recently a very senior official asked a Western visitor about the fate of former East German diplomats nowdays—the varied collapses of communism, whether in German or Russian or (perish the thought) Romanian fashion, have given Pyongyang's elite much to think about. At the very least, it must be hard for them to just carry on regardless, as if none of that had happened. (And sometimes, perhaps more often in future, fear of punishment may promote them to defect.)"

A former North Korean diplomat told THE KOREA HERALD last year that there is little possibility that the North's elite would turn against the Communist regime.

He said they are aware of the sweeping changes in Eastern Europe. "But by nature they are indecisive."

Ko Yong-hwan, who is regarded as a kind of "treasure" to the Seoul government as he carries a lot of valuable information on North Korea, said educated people in the Orwellian society are constantly fearful of execution, and would speak only to trusted friends.

As if they were well aware of the better life in the South, most Northern reporters and guides appeared to have become less aggressive in defending their political system in face of criticism from South Koreans.

"They would not tolerate any criticism of their system and their miserable economic conditions from South Korean reporters back in October 1990," one Seoul government official said.

Now, he said, they just pretend not to hear when visitors from Seoul are critical of something in the North.

He noted that many North Koreans now accept gifts from visitors from the South.

Delegates Sense Small-Scale Opening Up in North

SK0103011692 Seoul THE KOREA HERALD in English 1 Mar 92 pp 2-3

[Fifth in series of articles entitled "Pyongyang as I See It" by political writer Kang Sang-yun, who covered the sixth round of inter-Korean prime ministers talks in Pyongyang from 18 to 21 February: "Is N.K. Changing To Open Door to Outside World?"]

[Text] South Korean journalists were very much surprised to see a leading North Korean actor puffing on American cigarettes at an important party in Pyongyang.

The party was thrown by North Korean Prime Minister Yon Hyong-muk Feb. 18 in honor of his South Korean counterpart Chong Won-sik at the luxurious "Mongnangwan" restaurant which is said to be frequented by Kim Chong-il, the No. 2 man in the northern hierarchy.

It was not known whether North Koreans had been seen in the past smoking Western cigarettes in public.

Most Seoul officials said the actor's seemingly un-North Korean activity may very well be the ploy of North Korean authorities to show that the hard-line Communist state is opening its door to the outside world.

Some southern officials even labeled the smoking act as Pyongyang's "peace gesture" toward Washington. North Korea has been trying hard to have meaningful talks with the United States to improve bilateral ties and to have GIs withdraw from South Korea.

At Mongnangwan, the 90 visitors from Seoul were also dazzled by an after-dinner show that featured modern Western dance and songs by shapely girls and boys. The performance, to be sure, was also staged for South Korean visitors in October 1990 when the two Koreas held the second round of premiers' talks in Pyongyang. The first round took place in Seoul several months earlier.

The Wangjaesan troupe had performed in Japan and some other foreign countries, according to North Korean guides.

Oddly, acrobats erred a few times in a circus performance shown to Prime Minister Chong and other southern visitors. North Korean circuses have reportedly won prizes in international contests.

"In the past, it was impossible for us to imagine that acrobats in North Korea could err, especially in the presence of important visitors," one Seoul official said.

Anyway, is North Korea, one of the few remaining Communist outposts in the world, changing? Or is it just pretending to give good impressions to outsiders?

Some South Korean delegates to the premiers' talks said they definitely sensed some changes.

"On the surface, they have changed little," one delegate said. "But continuing contact with North Korean officials led me to believe that they are changing, albeit on a small scale."

For example, he said, the North Korean officials are now acutely aware of South Korea's economic superiority and are aggressive in exchanges with the South, particularly on the economic front.

Yi Tong-pok, Seoul-side spokesman for the high-level talks, said he got the impression that there were conflicts between "moderates and hard-liners" in the Pyongyang hierarchy in pursuing contacts with South Korea.

Daewoo Group chairman Kim U-chung, after a highly publicized 10-day trip to North Korea in January, also told newspaper editors that he sensed friction between "conservatives and reformers."

Kim said he was told by North Korean Prime Minister Yon that "reformers" were in a difficult position because of exaggerated reports by the South Korean media about inter-Korean economic exchanges.

According to Seoul officials, Yon is a kind of reformer, wanting to open up the North and to improve ties with the West.

They said that hard-liners are among members of the Committee of the Peaceful Unification of the Fatherland, and that Kim Chong-il, who reportedly had ordered numerous terrorist acts against South Korea, now appears to be supportive of inter-Korean reconciliation.

The aging North Korean leader, Kim Il-song, is believed to belabor reconciliation between the moderates and hard-liners, the officials said.

Can one expect reformers to prevail in the North?

Robert A. Scalapino, a specialist on North Korea and former director of the Institute of East Asian Studies at the University of California at Berkeley, said there is no evidence to suggest that a strong majority of the North Korean citizenry is anything but loyal to Kim Il-song and the system. "Constant indoctrination combined with a high degree of isolation is a powerful weapon," he said.

Speaking at a meeting of the Asia Society in New York in June 1990, Scalapino said presumably, an increasing number of North Koreans know something about this world: diplomats abroad and especially those students who have studied in East Europe and the USSR. "Their time will come. Indeed, already the new arrivals in the party Central Committee and upper state organs reveal a sizable number of younger, more technocratically inclined individuals," he said.

Seoul, Moscow Could Become Formal 'Allies'

SK0303011892 Seoul YONHAP in English 0100 GMT 3 Mar 92

[Text] Moscow, March 2 (OANA-YONHAP)—South Korea and Russia could actually become allies, Russian Vice President Alexandr Rutskoy said Monday.

Rutskoy, receiving the credentials of Korean Ambassador Hong Sun-yong, said his country regards its ties with Korea as of great importance.

The two countries, he said, could develop into allies.

The two countries are expected to sign an amity pact this year outlining their basic relations. Russian President Boris Yeltsin plans to visit Seoul in September and may sign the pact at that time.

Rutskoy, who has met with six Korean delegations since taking office as vice president, said he had realized that Koreans have friendly views toward Russia.

The basis for bilateral cooperation was strong, he told the new ambassador, who replaced Kong No-myong as Seoul's envoy to Moscow.

Korea and the former Soviet Union normalized ties in September 1990. Seoul extended 3 billion U.S. dollars in economic aid in the form of cash and tied-loans the following January.

Trade Envoy in PRC on Expectations for Ties

SK0303080092 Seoul YONHAP in English 0737 GMT 3 Mar 92

[Text] Seoul, March 3 (OANA-YONHAP)—China is likely to take the initiative in normalizing relations with South Korea when it believes the conditions are ripe, Korean trade representative to Beijing No Chae-won said Tuesday.

Korea would not completely cut off ties with Taiwan, however, due to geographical proximity and traditional relations, he said.

The biggest change needed for China to take the initiative was improvement in South-North Korean relations, and significant progress in inter-Korean developments would shorten the path toward Seoul-Beijing normalization, he said.

No was in Seoul to participate in a conference of heads of missions beginning Thursday. He was appointed chief of the trade representative office when it opened in Beijing in January 1991.

"China will have to take the initiative for Seoul-Beijing normalization," No said. "Chinese officials are closely watching developments in inter-Korean relations and we are waiting for the right time."

South Korea did not want to hurry normalization as haste might invite "unnecessary diplomatic losses," the ambassador said.

The chief aim was to create all the conditions as if the two countries had full ties, he said, citing the bilateral trade pact signed last December as an example.

"We need realistic relations with China, not just a formality of establishing full ties. China understands this. This is why it signed the trade pact even before normalization," No said.

Ties with Taiwan should be evaluated separately from diplomatic progress in China, No said, they were a factor for consideration in talks with China, but would not be a stumbling block.

"But we should not completely cut off ties with the Republic of China. We have to treat our ties with the Republic of China on its own merits," No said.

Working-level contacts between Korean trade representative officials and Chinese officials had become more open, but contact with the Chinese Foreign Ministry was still limited, he said.

Asked if he had discussed North Korea's nuclear problem with Chinese officials, No said he could not answer but Beijing was deeply interested in Pyongyang's nuclear development capability.

He said he expected a regular air service to begin in the very near future between Seoul, Tianjin and Shanghai.

but a direct service between Seoul and Beijing was most unlikely before normalization.

Taiwan Ambassador Views Seoul-Beijing Ties

SK0203041492 Seoul HANGUK ILBO in Korean 29 Feb 92 p 14

[Interview with Chin Shu-chi, Taiwan ambassador to the ROK, by reporter Yi Sang-sok on 28 February—place not given]

[Text] The ROK and Free China, which maintained unparalleled allied relations in Asia for the past 40 years, have become now somewhat distant because of the ROK-China diplomatic relations issue.

Hong Kong's leading paper, MING PAO, reported that rumors exist stating the ROK and China will establish diplomatic relations in June. There are also rumors that Free China's embassy will be sold. Free China's legislature is urging economic sanctions against the ROK such as prohibiting the operation of Korean Air flights and restricting the import of Korean-made automobiles if the ROK and China establish diplomatic relations. The legislature is also urging that if diplomatic relations are established, then it will work to establish diplomatic relations with North Korea.

Amid the current chilly ROK-Free China situation, Chin Shu-chi, Free China ambassador to the ROK, suddenly left for Taipei late last month and did not return for over 15 days, thus bringing about all kinds of speculation. This interview was held on 28 February.

After Ambassador Chin admitted there is a gap between Seoul and Taipei regarding the ROK-China diplomatic relations issue, he stated contentedly: "The ROK definitely revealed that currently, it has no intention of holding a meeting or hosting such a meeting to establish diplomatic relations with Communist China."

[Yi Sang-sok] There are constant reports that the ROK and China will establish diplomatic relations within this year. If so, what will be the role of Free China's embassy in the ROK?

[Chin Shu-chi] I do not want to comment about speculative news reports. As ambassador, my role is to develop the existing friendly and cooperative relations between the two countries. During the past one and a half years I have emphasized this to Korea's political, academic, and press circles. Recently, there have been active exchanges between high-level officials from both countries. This stems from the common recognition that both countries must maintain developing relations.

[Yi] The ROK Government wants to continue to maintain friendly relations with the Free China Government. However, from the viewpoint that the ROK wants to conclude the northern policy, the ROK is hastening its establishment of diplomatic relations with the Beijing Government. When ultimately the ROK and China establish diplomatic relations, do you not think that no matter what, relations between the governments of the ROK and Free China will be damaged?

[Chin] I know that the ROK's northern policy is to achieve reunification on the Korean peninsula under a free and democratic system. Therefore, the ROK Government has been carrying out the northern policy with the support of the Korean people, and as a result, I believe there were considerable results such as the establishment of diplomatic relations with the Eastern bloc and the Soviet Union, and the establishment of a trade mission in China. The purpose of the ROK's northern policy is to make neighboring powers exercise influence toward North Korea so that it can open its doors. It is not a policy to keep the government of the Republic of China at a distance.

The ROK's northern policy was successful to the degree that it ushered North Korea to the premiers' talks. At this point of time, many people within Korea are skeptical as to whether there is a further need to improve relations with China. I believe the ROK and Free China should further strengthen relations of amity and neighborliness and expand opportunities for more cooperation and joint venture projects. This all the more coincides with common interests.

[Yi] Were you ever tipped off by the ROK Government regarding the establishment of diplomatic relations between the ROK and China?

[Chin] I exchanged opinions frequently with high-level officials, including the foreign minister who is in charge of the ROK's diplomacy, regarding the ROK's northern policy. However, I did not receive any notification from the ROK Government that it is planning to establish diplomatic relations with China or that it is currently holding talks regarding this matter.

[Yi] Recently, the Free China Government has been persistently finding ways to improve relations with China. There are reports that it is allowing mainland currency exchange within the country and is examining ways to exchange and establish missions with China.

Free China is carrying out a practical line of diplomacy in which it is working to improve relations with China. Do you not think that from this viewpoint it is somewhat awkward for Free China to oppose the establishment of ROK-China diplomatic relations?

[Chin] The Republic of China does not oppose ROK-China economic and human exchanges that have developed up until now.

This is because the expansion of private exchange means that this will help China to give up its communist system quickly and change to a free system.

However, we oppose and forbid political relations that prolong China's communist regime.

[Yi] Do you see the possibility of Free China improving trade and other forms of relations with North Korea should the ROK set up diplomatic relations with China?

[Chin] North Korea is an extremely closed society with a weak economic base. At present, I see no possibility of our country improving economic and trade relations with North Korea. Even if trade relations are set up with North Korea, they would be limited relations.

[Yi] Free China's decision to lift trade embargoes placed on such communist countries as Cuba and North Korea has created delicate waves in relation to the establishment of ROK-China diplomatic relations.

[Chin] As you may know, Free China is a trade heavyweight. Its trade volume during the last year reached $139 billion.

It is imperative for our country to expand trade relations with virtually every country on the face of the earth. This is also the current trend. I would like, however, to stress that the lifting of a ban imposed on direct trade with North Korea was not aimed at improving relations with the latter.

[Yi] Rumors persist that you want to sell the land in Myongdong on which the embassy building stands.

[Chin] I would like to make clear our stand on this once and for all. First, reports that we are willing to sell the land are false. Second, the Republic of China Government has never once said that it would sell the embassy's land.

[Yi] Mr. Ambassador, you went back to your country during the Lunar New Year holidays and stayed in Taipei for over two weeks. This aided people's indulging in all kinds of speculation. What was your biggest problem during your tenure in Seoul of one year and five months as ambassador to Korea?

[Chin] I have had no difficulties at all. I went home during the Lunar New Year holidays. So speculative were the press reports that there was a commotion that forced the Foreign Ministry to release a statement. It is customary in our country that diplomats who have stayed abroad for a year or so usually take home leave after making their reports to the government on the situation.

[Yi] What specific measures do you think Korea and Free China need to deepen the friendship between them?

[Chin] There could be many, but I would like to cite only three. First of all, high-ranking officials of the two countries should become better acquainted through mutual exchanges. The second is to strengthen economic cooperation. In the past, the two countries were said to be in competition. I think, however, the two countries have considerably broader complementary space between them because Korea has an economic structure centered on big business while China has an economic structure depending mainly on small- and medium-sized business.

In this context, our country hopes that Korean business firms will actively participate in the six-year economic development project involving $300 billion which our country put into motion last year. Third, the two countries should try to expand mutual exchange between the two peoples. In particular, promoting exchange between the young people in the two countries is especially important for the future of the two countries.

Editorial Warns of Japan's 'Dinosaurian' Power

SK0303000592 Seoul THE KOREA TIMES in English 3 Mar 92 p 6

[Editorial: "Alert on Dinosaurian Japan"]

[Text] One of the major world issues this year may be Japan's flexing of its economic as well as military power. The Japanese move to return to the position of world leader has apparently been prompted by the realignment of the world order following the dissolution last year of the Soviet Union, which itself followed the fall of Communist regimes in other parts of Eastern Europe.

Japan last year alone reportedly registered $78 billion in its trade surplus, a figure comparable to South Korea's 1991 total exports. Sitting on the enormous earnings, its leaders dare to utter remarks insulting foreign workers in an open way.

Japan, on the other hand, has also come to demand permanent membership in the United Nations Security Council to share a prestigious seat with the powers victorious in World War II.

Moreover, Japan seeks to play a leading role in the projected international peace force numbering 22,000 persons in Cambodia, one of the major trouble spots today. Japan's military capabilities have reportedly been developed to dinosaurian proportions. While successfully developing intercontinental ballistic missiles, Tokyo even plans to import more than 100 tons of plutonium by 1995.

Differently from Germany, another defeated nation, Japan remains persistent in glossing over its wrongdoings during and before the last world war, adamantly refusing to correct false and distorted historical accounts of its numerous imperialist crimes inflicted upon Koreans and other neighboring Asians.

Japan as a market, still has many areas to open if it really wants to reduce its exorbitant trade surplus and attain common prosperity together with Korea and other trading partners.

It is quite tiring but we would once again like to remind Japan that continuous selfish advances will just earn the animosity of neighbors and the repetition of an unfortunate past.

Ambassadors Receive New Assignments

SK0303022292 Seoul YONHAP in English 0211 GMT 3 Mar 92

[Text] Seoul, March 3 (YONHAP)—Ambassador-at-Large Yi Sang-ku, 59, was appointed ambassador to Malaysia, replacing Hong Sun-yong, Tuesday.

Ambassador-at-Large Kim Chong-hun, 63, was named ambassador to Pakistan, replacing Chon Sun-kyu, who returned to the Foreign Ministry.

Song Yong-sik, 52, deputy chief of the Diplomatic Policy Planning Office, was made ambassador to Trinidad and Tobago, succeeding Pak Pu-yol, who was nominated as a researcher at the Institute of Foreign Affairs and National Security.

Textile Exports Increase in 1991

SK0203153292 Seoul YONHAP in English 0832 GMT 2 Mar 92

[Text] Seoul, March 2 (YONHAP)—Exports of textile products rose 5.6 percent to 15.5 billion U.S. dollars last year, breaking a four-year slump, the Trade and Industry Ministry said Monday.

Textile exports had slowed since 1987 and fell to 14.7 billion dollars in 1990, down 3.1 percent from a year earlier.

The upturn was led by exports of fabrics, up 22.9 percent at 5.7 billion dollars, and textile materials, up 14.6 percent at 1.3 billion dollars.

Southeast Asia bought 2.42 billion dollars of Korean textile products, up 26.6 percent, and former and current communist states purchased 510 million dollars worth, up 43.2 percent.

Exports to the United States, however, fell 10.6 percent to 3.53 billion dollars.

Election Law Violators Warned of 'Severe Steps'

SK0303073692 Seoul YONHAP in English 0619 GMT 3 Mar 92

[Text] Seoul, March 3 (YONHAP)—President No Tae-u instructed the prosecution Tuesday to sternly punish anyone who breaks the election law regardless of their position in the ruling party or one of the opposition parties to ensure fair elections.

The prosecution should forcibly remind candidates and voters that lawbreakers can't win elections, and that if they do win they will be denied a seat in parliament, No told the nation's top prosecutors in a meeting at Chongwadae.

The law enforcement authorities were to uncover all breaches of the law, from vote-buying to illegal fund-raising, and take severe steps against every perpetrator, No said.

"The prosecution must try its best not only to uproot lawlessness and violence at industrial sites but also to punish management's illicit acts in compliance with the law," the chief executive added.

An atmosphere in which problems between labor and management are solved smoothly within the law through mutual understanding and dialogue should be formed, he said.

"Unauthorized collective action amid the loose social discipline of the election period should suffer a severe blow as part of keeping order," No said.

No ordered the prosecution to win its war on crime by the end of the year so that people can undertake their jobs without fear, and to make every effort "as the nerve center of law enforcement authority" to tighten discipline among public officials.

Justice Minister Kim Ki-chun and Prosecutor General Chong Ku-yong attended the meeting.

Ruling Party Co-Chairmen on Presidential Hopes

Kim Yong-sam Expresses Intention

SK0303002392 Seoul THE KOREA TIMES in English 3 Mar 92 p 2

[From the "Press Pocket" column: "YS Ambition"]

[Text] Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party [DLP], revealed yesterday his intention to become president and defended the three party merger two years ago.

In a solidarity meeting for party candidate Kim Pyong-tae of Songpa-B district in southern Seoul, Kim urged the participants to support the parliamentary candidate.

He also revealed he wants to do something important for the nation and people and called for them to support all party candidates so the DLP can maintain its majority in the Assembly, saying it is very crucial for the future of the nations and unification.

As to the three party merger, Kim said there would have been extreme social disorder including the suspension of constitutional order, had it not been for the merger.

Kim Chong-pil Hints at Bid

SK0303002092 Seoul THE KOREA TIMES in English 3 Mar 92 p 2

[Text] In recent days, Kim Chong-pil, co-chairman of the ruling Democratic Liberal Party, [DLP], has often dropped hints concerning his political ambitions.

On many occasions, he made remarks which were irrefutably taken to mean that he will contend for the DLP's presidential nomination.

At a "solidarity rally" in Puyo, Chungchong-namdo, yesterday, Kim said "To save the nation, I will lead the way in making contributions to accomplish that task."

He also said, "It is deplorable to see the sad state of affairs in politics, economics as well as the social situation."

Kim, who leads the minor faction in the ruling party, was elected from Puyo about four years ago and will run there again in the March 24 parliamentary elections.

Of the three top DLP leaders, Kim is the only one who is running in a local constituency.

Kim explained that his running in the race for a House seat is to "ask voters their opinion" about his political ambitions.

During the rally, he made campaign promises of restoring the glory of the Paekche culture with Puyo as its epicenter and of inducing national universities there, appealing, "By throwing your support behind me, I can fulfill my pledges."

Apparently zeroing in on DLP executive chairman Kim Yong-sam's ambitions for power, Kim Chong-pil added, "I will not allow the party to stray from its course."

At the rally site, located in an education center of the town, thousands of supporters chanted his name, holding some 50 large portraits and signs.

Rally organizers introduced Kim Chong-pil, former prime minister under the late president Pak Chong-hui, as the "pivotal leader of the 1970's economic development, who was banned from political activities in the days of the Fifth Republic but rose again with undaunted will in the Sixth Republic."

They also described Kim Chong-pil as the "midwife of the merger of the three parties (into the DLP)" and said that Kim Chong-pil "runs again for grand politics for the 14th-term National Assembly."

Kim Chong-pil has refrained himself from speaking out about his political ambitions. But since last month he has often indicated that he will compete for the presidential nomination by saying, "I will not avoid whatever is assigned to me after the parliamentary elections."

He also proved to be outspoken on national unification and policy issues.

Burma

Surrendering Kayah Insurgents Join Defense Forces

BK2902101392 Rangoon Radio Burma in Burmese 1330 GMT 28 Feb 92

[Excerpts] A ceremony was held yesterday at Marble Square of Kanda Hewun Garden in Loikaw, Kayah State for members of the Kayah National Guard [KNG], who have returned to the legal fold. The purpose of the ceremony was for the KNG members to hand their arms over to the Defense Services, and then to be rearmed by the said organization.

Major General Maung Aye, member of the State Law and Order Restoration Council [SLORC], chairman of the Shan State Law and Order Restoration Council, and commander of the Eastern Command, delivered an address on the occasion.

The ceremony was also attended by Brigadier General Thaung Myint, minister for social welfare, relief, and resettlement; Brig. Gen. Saw Lwin, director of military training; Colonel Maung Kyi, tactical operations commander for Loikaw, Eastern Command; local commanders; chairmen of township zone and township law and order restoration councils; departmental officials; members of a cultural troupe of indigenous nationals; and 20,000 local people.

Among the 80 KNG members led by U Kyi Baw Pyan who returned to the legal fold were 74 males and six females. They brought with them 80 assorted weapons and ammunition. On arrival at the garden KNG members were accorded a warm welcome by a large number of people chanting slogans. KNG members were also garlanded by local damsels.

When a ceremony to hand over arms and rearm the KNG members began, leaders of the group—U Kyi Baw Pyan, Mae Ne Pya, Ko Tun, and Saw Lwin—handed over their arms to Commander Major General Maung Aye.

Speaking at the ceremony, Commander Maj. Gen. Maung Aye said today is a joyous and auspicious day as KNG leaders led by U Kyi Bin Pyan returned to the legal fold in order to cooperate with the Defense Services and the people. Since it assumed state duties, the State Law and Order Restoration Council [SLORC] government—the Defense Services—has formed a work committee for development of national races in underdeveloped border regions and has been endeavoring to develop various regions. In response to this endeavor, eight armed groups that wished to work for development of their respective regions have returned to the legal fold and been cooperating with the government. He said he happily welcomed and thanked the KNG members who handed over their arms in the presence of the people. However, he said the arms that were handed over will be returned to the KNG members to be used for their own security needs.

Maj. Gen. Maung Aye said as the KNG has returned to the legal fold with the intention of working for local development, Brig. Gen. Thaung Myint, minister for social welfare, relief, and resettlement, has come to personally supervise and provide the necessary assistance from the state.

Concluding his speech, he urged the KNG to work hand-in-hand with the Defense Services and to work happily, unitedly, and diligently for development, peace, and tranquility of the local region. [passage omitted]

Next, U Kyi Baw Pyan spoke words of thanks and expressed profound happiness. He said there are two beliefs in opposing the government. The first is opposition in order to obtain rights and development for one's own race, and the second is opposition to fight the entire country and government outright in order to obtain power. He said they are not for the latter kind of opposition and took up arms in order to bring development to their own race and region.

He said the SLORC government—the Defense Services—is granting the rights that they have been longing for, without them having to ask with difficulty. Seeing that the eight other national race groups are enjoying these rights, they realized that it would be futile to continue fighting the Defense Services and opposing the government. He said they had returned to the legal fold because they believe there is no other way but to cooperate with the Defense Services if they wish to develop the local region.

The ceremony ended with slogans at 1045 after Commander Maj. Gen. Maung Aye rearmed U Kyi Baw Pyan. After the ceremony, Maj. Gen. Maung Aye and his party individually greeted members of the KNG and a luncheon was held. A coordination meeting on resettlement and future programs was held after the luncheon. [passage omitted]

In a ceremony held in the afternoon, Maj. Gen. Maung Aye presented 500,000 kyat and relief and household goods to the KNG, and Brig. Gen. Thaung Myint, minister for social welfare, relief, and resettlement, presented relief goods to 80 KNG members. KNG leader U Kyi Baw Pyan spoke words of thanks in return. In the evening, cultural programs and a dinner were held in honor of the KNG members in the town hall of Kayah State.

Army Launches Mortar Attack on Karen Outpost

BK0303013192 Bangkok THE NATION in English 3 Mar 92 p A2

[Text] Following five days of air strikes against the Karen guerrilla headquarters at Manerplaw, Burma's Army began a heavy mortar pounding on Sunday night of another Karen stronghold to the south, near the Burmese border town of Myawaddy.

The shelling of Kaw Moo Ra, a Karen outpost which has survived dry-season Burmese attacks since 1988, started as the Burmese Army was trying hard to capture Manerplaw, also the headquarters of several Burmese dissident groups and the base of the parallel Burmese government.

The Burmese Army has also sent an additional 300 troops to reinforce about 700 who are now moving on Kaw Moo Ra. Nearly 400 people are said to have been rounded up to work as frontline porters, according to informed border sources.

At least eight mortars landed in Thailand near Baan Wangkaew in Mae Sot District yesterday. Earlier, the Thai Army had fired four warning mortar shots after about 40-50 shells landed on Thai soil. So far no Thai casualties have been reported. Baan Wangkaew was burned down by the Burmese Army in 1989 during its attacks on Kaw Moo Ra.

The sources said they expected the Burmese to begin heavy ground and shelling attacks on Kaw Moo Ra some time this week now that they were being reinforced with both ammunition and manpower.

The Karens, meanwhile, said they had shot down two Burmese jet fighters during the attack on Manerplaw. The report, however, could not be independently confirmed.

Border sources said it was the first time the Burmese Army had carried out daily bombing raids on Karen camps, mainly on Thipavicho and Mae Pa, the two strategic hills north of Manerplaw.

The Burmese carried out between two and six sorties a day with up to six planes each time, they added.

Karen sources said they learned by intercepted government radio messages that at least two Burmese jets, one of which exploded in mid-air, were shot down.

Khun Sa in Secret Deal With Anti-Rangoon Rebels

BK0303064292 Hong Kong AFP in English 0623 GMT 2 Mar 92

[By Erskine McCullough]

[Text] Bangkok, March 3 (AFP)—Burmese drug warlord Khun Sa, dubbed the Prince of Death by American authorities, has agreed to help Karen insurgents and pro-democracy rebels fighting the Rangoon government, according to Western intelligence sources.

Details of the agreement were thrashed out at a secret meeting between Khun Sa and Karen leader Bo Mya late last year at Khun Sa's headquarters near the Thai border, the sources added.

Burmese military intelligence officials recently told Western officials visiting Rangoon that they knew about the meeting between the two men but declined to go into detail.

According to the sources, the Karens, whose headquarters in Manerplaw on the [pasage indistinct] Burmese-Thai border is under siege from Rangoon troops, asked Khun Sa for small arms, soldiers and to start a terror campaign against the Burmese military dictatorship.

In return they are believed to have offered heavy weapon experts and political credibility to Khun Sa's self-proclaimed determination to further Shan nationalism.

Khun Sa, wanted for heroin trafficking by the United States, has always insisted that his involvement in narcotics is only to help pay for the ethnic Shan's struggle for greater autonomy.

Shortly after the secret meeting between the two leaders Khun Sa reportedly sent an assassination squad to kill Kyauk Nyi Lai, a leader of the ethnic Wa political group which has allied itself to the Rangoon military.

Details of the plot were leaked and in a furious gun battle between military intelligence officials and the assassination squad all of Khun Sa's men were killed. Two intelligence officers died, said sources.

The reason why Kyauk Nyi Lai was the target of the attack, which took place in Lashio in the heart of the Shan state opium-producing region, is unclear said the sources.

Despite the failure Khun Sa is believed to have set up a network of agents in junta-controlled areas.

"It is pretty clear that Khun Sa and the Karens have done a deal. Quite what will happen and how much Khun Sa will do however is open to debate," said one Western intelligence official.

"It seems the Karens want Khun Sa to launch a series of quick sharp terrorist-style attacks as opposed to direct confrontation with Burmese troops in the heart of junta-controlled areas, thus tieing up thousands of Burmese soldiers which in turn would take the heat off the Karens," he added.

Karen officials, who have continually refused to become enbroiled in the multi-million dollar heroin business along the Burmese-Thai border, officially deny striking a deal with the drug lord.

Since the Burmese began their major offensive against Manerplaw at the beginning of the year the Karens have suffered serious losses and are desperately in need of weapons.

"The Karens need all the help they can get at the moment," said one western diplomat.

"This year's dry season offensive against their headquarters is the biggest they have ever faced and the Burmese are closer to taking Manerplaw than they have ever been," he added.

The Karens have lost almost 10 percent of their 2,000 to 2,500 strong fighting force and senior officials admit that the situation is very serious.

With reports that the Burmese have started using their recently bought Chinese-built fighters the situation has become ever more grave in the battle for Manerplaw.

Khun Sa, who has no shortage of cash to buy weapons thanks to his massive heroin business, has a well-equipped army. Last year he is believed to have sent a special envoy to Vietnam to discuss buying U.S. weapons left behind after the end of the war.

No deal was struck after the Vietnamese reportedly demanded too much for the weapons, unused and which are still in their original boxes.

"There is no doubt Khun Sa could be a help to the Karens in their present plight. By how far he is really willing to go is another matter," commented one military expert.

Brunei, Malaysia & Singapore

Malaysia

Opposition Warned on Politicizing Royalty Issue

BK0103145492 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 1 Mar 92

[Text] UMNO [United Malays National Organization] Vice President Datuk Sri Anwar Ibrahim has reminded opposition parties not to use the recent meeting between the rulers and UMNO Supreme Council at Istana Negara [State Palace] as an issue in the Jerai parliamentary by-election. The matter should not be politicized.

Speaking to reporters in Bukit Mertajam, the meeting was merely to strengthen relations between the rulers and UMNO. Therefore, there is no need for the opposition to make it into an issue in their campaign speeches to fish for votes. If they do, it is going to show that they are running out of ideas.

French Company Offers Mirage Jet Fighters

BK2602114792 Kuala Lumpur NEW STRAITS TIMES in English 25 Feb 92 p 7

[Text] Singapore, Mon.—A French aircraft manufacturer has offered its Mirage 2000 multi-role combat aircraft to meet Malaysia's requirement for advanced fighter jets.

Dassault Breguet has also expressed its willingness to transfer technological expertise in the production of engines and avionics as part of the proposal to the Defence Ministry.

Its chairman, Serge Dassault, said today he had made the offer to Defence Minister Datuk Sri Najib Tun Razak when they met at the Langkawi International Maritime and Aerospace (LIMA) '91 exhibition last November.

He added that since then French officials have had several meetings with Royal Malaysian Air Force [RMAF] officers to discuss the proposal.

Senior RMAF officials had viewed the versatile fighter in Paris last year.

The Mirage 2000 is an advanced all-weather combat fighter capable of conducting air-to-air and air-to-ground missions.

More than 300 such fighters have been delivered and are in use with seven air forces including India, Egypt, Jordan, Greece, and Peru.

Mr Dassault also told the NEW STRAITS TIMES that France was willing to forge close co-operation with Malaysia in developing its aerospace industry.

"We are willing to transfer technology in areas such as electronics and aircraft engines," he said.

Asked if Malaysia had the expertise to go into electonics and aircraft production, he added that the local aerospace industry had the capacity to go into such joint ventures.

Dassault Aviation regional director Jean Claude Girard, elaborating on the Mirage 2000 proposal, said the RMAF had shown interest in the aircraft.

Asked what he thought of the chances of the Malaysian Government buying the Mirage 2000, he believed it would be better to have an "open mind" on it.

This is because "American and British military aircraft manufactures are also hoping to interest Malaysia in their fighters."

Mr Girard said France and Malaysia have enjoyed a long association in military aircraft, noting that the RMAF had been using French Aloutte helicopters for more than 25 years.

Airod, the country's premier aircraft repair and overhaul depot, signed a memorandum of understanidng last June with Aerospatiale and Ofema, the French aeronautical equipment export office, paving the way for joint ventures for technical, engineering and spare parts support.

The agreement also led to the setting up of a joint-venture company—Euroaircraft Services Sdn Bhd.

"This is a positive development, and we are ready to enhance co-operation," Mr Girard said.

Singapore

Indian Defense Minister Meets Prime Minister

BK2702162492 Delhi All India Radio Network in English 1530 GMT 27 Feb 92

[Text] Singapore is keen to increase its economic cooperation with India and its Deputy Prime Minister Brigadier General Lee will lead a business delegation to New Delhi next month to identify the areas of mutual cooperation. This was stated by the prime minister, Mr. Goh Chok Tong, when the defense minister, Mr. Sharad Pawar, now in Singapore, called on him today. Mr. Pawar told Mr. Tong that India is determined to pursue the policies of economic reforms.

Firm Helping Countries Upgrade Air Force

BK2802035892 Singapore THE STRAITS TIMES in English 25 Feb 92 p 20

[Text] Singapore Aerospace [SAE] is involved in upgrading aircraft for air forces outside Asia.

Mr Lim Lu Hock, the senior vice-president of SAE, said that the company has the capability to carry out modification work like engine re-fitting and avionics on aircraft other than the Super Skyhawks.

He said the company was already involved in upgrading the aircraft for air forces outside Asia.

He declined to name the clients.

For the avionics upgrade of the Super Skyhawks, top engineers from the SAE worked with their counterparts from Mindef's [Ministry of Defence] Defence Technology Group and RSAF [Republic of Singapore Air Force].

This joint venture included work on system design and software development.

Cambodia

Murder Attempt Against KPNLF Member Fails

BK0303074092 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 3 Mar 92

[Text] An attempt to murder a member of the Khmer People's National Liberation Front living in a Phnom Penh suburb was carried out; he was wounded and his small daughter killed.

It was learned from the victim that on the night of 1 March 1992, at 2400 [1700 GMT], in Prum village, Veal Shov commune, in Kien Svay District, Kandal Province, two masked men speaking unclear Cambodian attempted to kill the family of Tho Chheng. Tho Chheng was slightly wounded and his five year old daughter named (Totiet) was killed on the spot; his younger brother named (Sot Sothal), age 30, is missing.

The source reports that on the night of 1 March at 2400, the two murderers knocked at the door calling out for Tho Chheng saying his oxen escaped from the house. When Tho Chheng opened the door, the masked men, armed with AK rifles, opened fired slightly wounding Tho Chheng and killing his daughter on the spot. Tho Chheng and his wife have now fled the area.

Restructuring of Information Ministry Cited

BK2902020992 Hong Kong AFP in English 0150 GMT 29 Feb 92

[By Sheri Prasso]

[Text] Phnom Penh, Feb 29 (AFP)—The Phnom Penh government is reorganizing its ministries ahead of the arrival of U.N. peacekeeping troops, partly to incorporate what were Communist Party functions into a newly democratic structure.

The moves put top party members into salaried positions in the government and seek to create a true Western-style system ahead of the deployment of the United Nations Transitional Authority in Cambodia (UNTAC), diplomats and other observers said.

The troops are due to begin arriving in two weeks.

Under the peace treaty which ended the civil war, UNTAC is to take over five key administrative areas until elections for a new government can be held in April 1993—national defense, finance, information, foreign affairs and public security.

Changes involve dividing the Interior Ministry into two to create a separate ministry of national security, dividing the Information and Culture Ministry into two separate ministries, and creating a ministry of religion.

While the Interior Ministry was divided by National Assembly action last month, the Information and Culture Ministry is due to break up within a week, as soon as the new minister is chosen.

All the ministers are due to have a series of meetings with Prince Norodom Sihanouk just after the arrival of UNTAC, sources in the palace said.

Outsiders in the United Nations and diplomatic corps had initially viewed such changes with skepticism, thinking that Phnom Penh officials were trying to avoid UNTAC scrutiny.

"While UN is the catalyst (for the changes), I don't think we need to be quite so cynical," said one Western diplomat with much experience in Cambodia.

"They are quite truly trying to restructure themselves as a multiparty state and trying to separate these things out" from the old party structure, the diplomat said.

With the source of funding for the party in doubt under U.N. supervision as well, top party members want to be secure in government positions.

Previously, the Information and Culture Ministry was 99 percent culture and only one percent information.

The old Communist Party's Central Committee on Propaganda and Education—headed by Dit Munti—has been in charge of the official line from Cambodia through the news agency SPK.

He is seen as a supplier of Prime Minister Hun Sen and in line for the top job at the new information ministry, Cambodian political sources say.

But another man, Im Chhunim—who is seen as a supporter of Hun Sen's rival, National Assembly Chairman and party president Chea Sim—is also being considered for the job.

Im Chhunim, as first deputy of cabinet in the party's Central Committee, is the director of radio and television.

The political sources say Sok An, a deputy foreign minister, has been offered as a compromise candidate.

The division of the Interior Ministry put the brother-in-law of Chea Sim, long-time party central committee member Sar Kheng, in charge of national security.

The new minister of religion has yet to be named.

Top Officials Speak in Battambang Province

Sihanouk Addresses Orphans 1 Mar

BK0203080392 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 1 Mar 92

[Speech by Prince Norodom Sihanouk at 1 March Get-together with orphans in Battambang town—recorded]

[Text] I, Samdech Euv [Prince Father] Norodom Sihanouk and Samdech Ta [Prince Grandfather], am most delighted this morning to have the great opportunity of seeing the smiling faces of all of you, my children, grandchildren, and great-grandchildren, who are present here to say hello to me, your Samdech Euv and Samdech Ta. As for your Samdech Me [Princess Mother] and Samdech Yeay [Princess Grandmother], she is coming here soon.

I take this excellent opportunity to express my deepest thanks with the greatest affection and esteem to His Excellency [H.E.] Chairman Hun Sen of the State of Cambodia [SOC] Government, and Madame Hun Sen. I also thank H.E. the chairman of Battambang Province and Madame for according me this exceptional occasion to meet with all my children, grandchildren, and great-grandchildren. It is amazing that these young children know me as their great-grandfather [Sihanouk laughs]. I thank all of you very much for missing your Samdech Euv and Samdech Ta and for asking to see me at this occasion that I am paying my second visit to this beautiful province and city of Battambang since my return to the motherland to live forever with my beloved people and venerated and beloved Buddhist monks in our Cambodia.

I would like to express admiration to all of you, ladies, gentlemen, daughters, and sons who are the excellent instructors that take very good care of my orphaned children, grandchildren, and great-grandchildren on behalf of the SOC Government and Cambodian People's Party [CPP] and for instilling a good attitude in them and educating them to become legitimate citizens of our independent Cambodia with a very bright future. Therefore, I would like to express my warmest admiration at the SOC Government and CPP and at H.E. Chairman Chea Sim, H.E. Chairman Hun Sen, and H.E. Chairman Heng Samrin, who are the enlightened leaders of the SOC Government and CPP. I am very satisfied with the excellent results achieved in various fields by the CPP and SOC in the superior interest of our nation and motherland, especially in the fields of economic development, health care, and fostering the orphaned children and those who are victims of the recent war and the recent bitter period. Now that we have been revived and are thriving again, I feel extremely happy. Thank you again.

I also would like to praise all my grandchildren and great-grandchildren for having a great attitude and making all the efforts in study following the precious instruction of their teachers, that is, all of you ladies, gentlemen, daughters, and sons who are professors, instructors, monitors, and teachers here. My grandchildren and great-grandchildren are well disciplined and you surely are going to enjoy a great and bright future in your capacity as good legitimate citizens of independent Cambodia. May all of you, my daughters, sons, granddaughters, grandsons, great-granddaughters, and great-grandsons, enjoy the five blessings of Lord Buddha. Thank you very much.

Hun Sen at Monastery Ceremony

BK0203124792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 2 Mar 92

[Text] On the morning of 29 February, Hun Sen, vice chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the State of Cambodia's Council of Ministers, and his wife, took part in the founding anniversary of the Vat Sangke monastery in Battambang provincial town, a place with a long history and revered by Buddhist disciples in Battambang Province. Hun Sen handed over two million riel, a gift from the State of Cambodia's Government [words indistinct] building the monastery hall.

After chanting a blessing for the delegation, Venerable (Lai Loeung), provincial abbot, talked about the cooperation from Buddhist disciples in and outside the country, who used to live in the province, and who have contributed to the reconstruction of Vat Sangke monastery. According to a report read by Uch Kung, vice chairman of the provincial front, Vat Sangke monastery was established in the Kathathorn era in 1830 during the reign of King Ang Eng. Later, the monastery became a repository for Buddhist documents and was believed to possess great power. It was also an important educational center of the province. Uch Kung added that during the Pol Pot regime, Vat Sangke monastery became an ammunition depot and was later damaged. However, it was a miracle that the main Buddha statue in the hall, which was damaged by ammunition explosion, was untouched.

On this occasion, Hun Sen told monks, wisemen, nuns, and all disciples about the tragic fate of Vat Sangke monastery, which has caused suffering and grief to Buddhist disciples and our people. Hun Sen recalled the religious rights and freedom given by the party and the State of Cambodia's Government for the benefit of the people's spiritual life. Furthermore, according to the State of Cambodia's Constitution, Buddhism is the state religion.

Hun Sen also talked about the solidarity of the people and Buddhist disciples and their contributions to restore the glory of Vat Sangke monastery, in accordance with the spirit of reconstruction based on state-people cooperation. The chairman of the State of Cambodia's Council of Ministers stressed that Vat Sangke monastery is still held by Buddhist disciples to possess power.

Hun Sen Urges Fighting Negativism

BK0203063992 Phnom Penh SPK in French 0358 GMT 2 Mar 92

[Text] Phnom Penh 2 Mar (SPK)—Mr. Hun Sen, chairman of the State of Cambodia Council of Ministers, recently took part in an annual meeting of the cadres of Battambang Province, some 300 km northwest of Phnom Penh.

Chairman Hun Sen called on the cadres to constantly improve their socioeconomic development work while remaining on the alert in order to check the terrorist acts of the reactionary elements.

He urged the local authorities to pay special attention to the living conditions of the returning refugees and to fight negative phenomena that had affected the development of the province.

According to a report presented to the meeting, Battambang Province in 1991 planted 131,700 hectares of rice with a per hectare yield of 1.5 metric tons.

This major rice producing province is readying itself to welcome the repatriated refugees from various camps of Thailand.

Chea Sim Urges Election of Prince Sihanouk

BK0303090092 Phnom Penh SPK in French 0415 GMT 3 Mar 92

[Text] Phnom Penh 3 Mar (SPK)—Mr. Chea Sim, chairman of the Central Committee of the Cambodian People's Party (CPP) accompanied by Sim Ka, chairman of the Phnom Penh Municipal People's Committee, recently visited the population of Khmuonh Commune, Russei Kev District, Phnom Penh.

At the meeting, Mr. Chea Sim, who is also chairman of the National Assembly and of the National Council of the Kampuchean United Front for National Construction and Defense, stressed that the CPP and State of Cambodia have given the freedom of worship and equal rights to Buddhists, Muslims, and Christians to practice their religion.

Chairman Chea Sim said he was delighted to note that the peace accords have been implemented in general, despite some instances of violations, especially the recent Khmer Rouge attack against a helicopter of the UN Transitional Authority in Cambodia (UNTAC). Mr. Chea Sim also affirmed that the CPP Central Committee fully supports Prince Norodom Sihanouk and calls on all Cambodians to elect the prince as head of state.

Deputy Premier Sar Kheng Greets Australian Envoy

BK2902052492 Phnom Penh SPK in English 0201 GMT 29 Feb 92

[Text] Phnom Penh SPK February 28—Sar Kheng, deputy prime minister of the State of Cambodia had a talk here Wednesday with John Halloway, Australian ambassador to the Supreme National Council of Cambodia (SNC).

Sar Kheng, who is also interior minister, informed his guest of the strict respect of the State of Cambodia for the Paris peace accord signed on 23 October, 1991 despite of the subsequent cease-fire violations perpetrated by other side.

He also thanked Australian Government for its contribution to bringing peace for Cambodia.

In reply, Halloway expressed deep gratitute to deputy prime minister for warm hospitality and for making him known good will of the State of Cambodia in implementation peace treaty [sentence as received].

He also pledged that Australia would be ready to help restore Cambodia's social infrastructure in the future.

Trade Minister Nhim Vanda Visits ROK 17-22 Feb

BK0203102592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 27 Feb 92

[Text] At the invitation of an ROK company, Samsung, and with the approval of the State of Cambodia's Government, from 17 to 22 February, a delegation from the

Trade Ministry led by Lieutenant General Nhim Vanda, member of the Cambodian People's Party [CPP] Central Committee and trade minister, accompanied by (Suy Sem), deputy planning minister; and three other Trade Ministry assistants, visited Seoul, ROK.

During their three-day stay in Seoul, Nhim Vanda and members of the delegation visited many places and held talks with (Soshi Chun), chairman of the Samsung Company; (Kim Song-ang), chairman of the Korean Trade Chamber; Chairman of Kotra [Korea Trade Association]; Trade and Industry Minister; and [name and title of official indistinct].

During the discussion, our delegation listened to the history of the successful development and progress of the Korean industry. On the same occasion, Nhim Vanda informed the hosts about the political situation in Cambodia and the organization of the market economy.

In sum, during every discussion, the focus was on trade and economic relations. This is a step toward strengthening and expanding the solidarity and friendship, trade and economic cooperation, and also diplomatic relations. Nhim Vanda and the delegation also visited many other places such as a 60-story building, a Samsung electronic equipment factory, and a cloth factory.

Communications Minister So Khun Meets ROK Envoy

BK0203105592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 27 Feb 92

[Text] On the morning of 26 February at the office of the Ministry of Communications, Transport, and Posts, the State of Cambodia minister for the portfolio, So Khun, received and cordially held talks with His Excellency [H.E.] (Chun Sun-yong), ROK ambassador extraordinary and plenipotentiary to Cambodia. They discussed a number of issues on communications in Cambodia.

On this occasion So Khun pointed out that since 1979, the communications in the country have been provided by roads, waterways, and the railway. Both its road and waterway networks are over 3,000 kilometers long. So Khun added that the railroads in Cambodia are divided into two lines; the first linking Phnom Penh to Battambang Province, and Poipet in Banteay Meanchey Province; and the second linking Phnom Penh to Kompong Som City. These two lines are over 50 years old. They have seriously deteriorated and are in need of repair.

Replying, H.E. (Chun Sun-yong) promised that the ROK Government will soon make efforts to provide communications specialists and a budget to restore and rebuild Cambodia. H.E. (Chun Sun-yong) hopes that the communications sector in Cambodia will have good ties with those in liberal countries for its restoration and rebuilding and improvement.

Continuing Reportage on UN Helicopter Attack

Sihanouk Urges SNC To Investigate

BK0303063692 Phnom Penh SPK in English 0427 GMT 3 Mar 92

[Text] Phnom Penh SPK March 3—Prince Norodom Sihanouk, chairman of Cambodia's Supreme National Council (SNC) has sent a message to SNC members demanding them to investigate the recent attack on a U.N. helicopter in the Khmer Rouge and the FUNCIPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] controlled zone.

Prince Sihanouk said in his message :

"At 13:30 on Feb 26,1992 in an area of Stoung District, Kompong Thom Province, where the armed units of the State of Cambodia, Democratic Kampuchea and FUNCINPEC are stationing and occupying seperately, one or more elite gunmen opened fire at a U.N. helicopter which was fulfilling international mission, wounding Lieutenant Colonel Russell Stuart, commander of Australian contingent of the UNAMIC [UN Advance Mission in Cambodia], and damaging the U.N. aircraft.

"This is a move which must deserve punishment, because it is a great violation of peace agreement signed in Paris on October 23, 1991. Worst still, this act severely affected the credit of our nation and people, and it is a threat to the life of an eminent UN officer who tries his best to save our nation."

Prince Sihanouk urged the SNC members to conduct immediate and accurate investigation of the incident to find out who and what groups are responsible for the attack.

He asked the leaders of the four Khmer factions and their armed forces to take prompt measures in order not to let such an incident happen again.

Sihanoukist General: KR Responsible

BK2902122992 Hong Kong AFP in English 1208 GMT 29 Feb 92

[Text] Trom, Cambodia, Feb 29 (AFP)—Forces loyal to Prince Norodom Sihanouk charged Saturday that a recent attack on a United Nations helicopter was carried out by Khmer Rouge soldiers.

"It was Khmer Rouge," said Major General Kruoch Yueom who was in the helicopter with Australian Lieutenant Colonel Russell Stuart Wednesday when they were attacked.

The Phnom Penh Government has also blamed the Khmer Rouge.

Stuart was shot in the leg and elbow and was evacuated to a Bangkok hospital.

United Nations officials said the area was jointly controlled by the Sihanouk loyalists, called the Armee Nationale de Kampuchea Independent (ANKI), and the Khmer Rouge.

"We were over Khmer Rouge territory," the ANKI general said.

The United Nations has begun an investigation into the attack, but its military contingent leader, Brigadier General Michel Loridon, has said he believes it was an accident.

The Khmer Rouge so far have not allowed United Nations personnel free access to their territory.

Prince Norodom Sihanouk, on a visit to Khmer Rouge faction leaders in Pailin on Friday, said he was assured that the leaders knew nothing about the attack.

"I was very disappointed but I have ordered an investigation," the prince said.

When the United Nations Transitional Authority in Cambodia (UNTAC) and its head Yasushi Akashi arrive, the Khmer Rouge "will allow them to fly over their zones," Prince Sihanouk said.

"There is no friction" between the Khmer Rouge and United Nations Advance Mission in Cambodia, the prince said. "I have ordered to take all means to prevent a recurrance."

Attack Detailed

BK2902012392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 28 Feb 92

["Reports Around the Shooting of the Helicopter of the UN Advance Mission in Cambodia"]

[Text] 1. Reliable reports say that the flight path of the helicopter of the UN Advance Mission in Cambodia [UNAMIC] has been clearly planned and determined by Vietnam and the Phnom Penh side. Therefore, Vietnam and the Phnom Penh side clearly knew about the flight of the UNAMIC helicopter and about the time the helicopter left Phnom Penh, landed in Phnom Penh, landed in and took off from Kompong Thom; and when the helicopter landed in Stoung and took off from there for other places. The Vietnamese and the Phnom Penh side knew all about this in advance. They knew the identity of all the passengers in the helicopter.

2. The reports also say that the determination of the flight path, the takeoff and landing times in Phnom Penh, Kompong Thom, and Stoung are all part of the plan by Vietnam and the Phnom Penh side to shoot at the UNAMIC helicopter. This is why Vietnam and the Phnom Penh side have set up missiles at a determined place on the helicopter's flight path, which has already been planned by Vietnam and the Phnom Penh side.

3. The reports also say that Vietnamese specialists and the Phnom Penh side have to use radio-controlled missiles to shoot at the helicopter from a distance because if the shooting is carried out too close they cannot fully hide their forces and missiles from others. They have to use radio-controlled missiles from a distance in order to hide themselves and the missiles from others.

4. A number of Cambodian soldiers in Kompong Thom and Stoung do know clearly about the shooting—before, during, and after the shooting.

UN Wants UNTAC To Stop Kompong Thom Fighting

BK0203101892 Hong Kong AFP in English 0932 GMT 2 Mar 92

[By Sheri Prasso]

[Text] Phnom Penh, March 2 (AFP)—UN officials said Monday they want UN peacekeeping troops arriving in two weeks to give priority to stopping the fighting in central Cambodia.

The United Nations Transitional Authority in Cambodia (UNTAC) troops will arrive as officials here said that Khmer Rouge and Phnom Penh Government forces were still trading fire in the central Province of Kompong Thom, the scene of a major cease-fire violation in January.

At least one government soldier was killed and more than a dozen wounded, they said.

"The area is very sensitive," said Brigadier General Michel Loridon, the head of the UN advance mission's military contingent.

"I hope UNTAC will give it priority," he said.

The area, controlled by rebel Khmer Rouge General Ta Mok, is heavily contested because through it runs a major north-south resupply route for the Khmer Rouge forces, Loridon said.

It appears Phnom Penh Government forces took villages on the resupply line in heavy fighting in January which displaced 20,000 people.

"If (the Phnom Penh Government) occupies those villages, the (Khmer Rouge) cannot resupply to the south," Loridon said.

Fighting broke out again in the area on February 27 between about 200 troops from Phnom Penh and the Khmer Rouge, said the chief UN officer in Kompong Thom, Major Fabian Motmans.

"It's quieted down now, but I think they are regrouping for a new attack," he said.

Motmans arrived in the capital Monday for a briefing on UNTAC deployment, which is scheduled to begin in mid-March.

Loridon said it appeared the Khmer Rouge launched the offensive to retake the villages lost in January.

"It was the day after the attack on our helicopter," he said, declining comment on whether the incidents were related. "I do not know if (Phnom Penh) counterattacked," he said.

Last Wednesday, the UN military second-in-command, Lieutenant Colonel Russell Stuart, was shot when unknown soldiers fired on a UN helicopter north of Kompong Thom.

Motmans, who was also on the helicopter, said he did not see the attackers.

Forces loyal to Prince Norodom Sihanouk, who also patrol in the area, claim the shooting was over Khmer Rouge territory and thus must be Khmer Rouge soldiers.

"I think if it were a deliberate military operation they would have shot us down," Motmans said.

Loridon has previously said he believed the attack was an accident, but was waiting for a full report from the Khmer Rouge.

The Phnom Penh Government has also denied involvement and blamed the Khmer Rouge.

Over 100,000 SRV Forces Occupy Phnom Penh

BK0303030592 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 2 Mar 92

[Excerpt] According to a report from Phnom Penh on 27 February, there are presently over 100,000 Vietnamese aggressor forces in Phnom Penh and nearby areas. These Vietnamese aggressor forces are mingling among the Phnom Penh Army units, A-3 Force, General Staff Department of the Phnom Penh Armed Forces, ministries, departments, overland and railway transportation sectors, and among Vietnamese immigrants who are living in buildings and trading in the markets.

The report also said that 100 percent Vietnamese are in areas along the Tonle Sap River banks from Prek Kdam to Prek Phneou, and down to Phnom Penh; 45 percent in Russei Kev; 100 percent in buildings, areas along river banks, and in houseboats in areas stretching from kilometer marker No. 6 down to Chreang Chamreh and Chruoy Changva. There are 60 percent Vietnamese vendors at Depot and O Lumpich markets and 60 to 70 percent of both Vietnamese vendors and hawkers at Phsar Thom and Phsar Thmei markets. Moreover, Vietnamese aggressor forces have also disguised themselves bicycle and motorcycle repairmen and food vendors. [passage omitted]

Phnom Penh's A-3 Force 70 Percent Vietnamese

BK0103050092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 29 Feb 92

[Excerpt] Reliable sources among the people, Cambodian soldiers, and local and foreign reporters who travel in and out of Phnom Penh and various provinces nationwide say that 70 percent of the Phnom Penh side's A-3 force in the city and various Cambodian provinces is Vietnamese.

The reports say that around early February 1992, the Vietnamese aggressors brought another 1,000 persons to reinforce this A-3 force. This 1,000-strong Vietnamese aggressor force is brought in to intensify terrorist activities. The role of this A-3 force is that of a special terrorist unit which our people refer to as the one carrying out murders.

The reports say that the 70 percent of the Vietnamese aggressor forces in the Phnom Penh side's A-3 force are in line with the activities of the Vietnamese aggressors to sabotage the peace agreement and the Cambodian Supreme National Council. This A-3 force played a major role in the attack on the house in Phnom Penh of Their Excellencies Khieu Samphan and Son Sen, SNC members from the Party of Democratic Kampuchea on 27 November 1991; it played the same role in killing students and people during anti-corruption mass demonstrations in Phnom Penh. This force was also featured in the murder of Tea Bunlong and later on the execution of people and expulsion of people from their land in Phnom Penh's suburb and nearby areas. [passage omitted]

Indonesia

Significance of U.S. Presidential Election Cited

BK0203081192 Jakarta KOMPAS in Indonesian 15 Feb 92 p 4

[Editorial: "The Significance of the U.S. Presidential Election in the Post-Cold War Era"]

[Text] The issue of the U.S. presidential nomination has always attracted our attention, especially amidst the current background of rapid global changes where the United States has assumed more strategic position and become the only superpower in the world following the collapse of the Soviet Union. Our attention is drawn to the list of presidential candidates from both the Democratic and Republican Parties. The U.S. presidential contest became more intense when President George Bush and Vice President Dan Quayle officially announced their nomination on 12 February to contest the November presidential election again as the Republican Party candidates.

The Bush-Quayle duo appear to have an edge over other candidates, who are not that well known by the American public. The Americans know Bush very well because Bush was vice president for eight years when Ronald Reagan was President. The Bush-Quayle duo became increasingly confident of winning a second White House term after confusion arose in the Democratic Party camp with its most promising candidate Bill Clinton, the Arkansas governor, being affected by an infidelity scandal.

Bush is expected to use his successes in international politics as the theme of his election campaigns. With the exception of the current domestic economic slowdown resulting in widespread unemployment, the American public have a high rating for Bush for his role in the Gulf War, and his accomplishment of ending the cold war and the arms race.

If the Bush-Quayle pair is reelected, we are faced with an urgent question as to whether Bush, along with other world leaders, will be able to open a new chapter in history, which is better, safer, and more peaceful for human beings than during the cold war. We have witnessed how Gorbachev was finally swept aside by the reforms he had initiated, while his country the Soviet Union fell apart. History has recorded his failure in his struggle to achieve his goals.

Bush's success in ending the cold war must also be attributed to his ties with the then Soviet leader. Both Bush and Gorbachev hail from similar background—Bush was a CIA director while Gorbachev was a KGB boss.

After Gorbachev was toppled, Bush lost a friend and had to act alone in coping with the uncertain global changes. The pattern of world developments is still uncertain with the end of the bipolar system.

Linear-type developments are getting increasingly out of date because global changes can take place in a dialectic or even interrupted manner. The continuous pattern has been disrupted by unpredictable developments.

As a big country with a great sense of responsibility, the United States plays a decisive role in determining world political configuration in the future. Gorbachev and his Soviet Union were removed out of the picture in a swift process of change and now we see the United States as the only superpower country.

It might be wrong for us to assume that the Bush administration's successes in the last four years will ensure further successes in the coming four-year term. The past cannot always be used as a yardstick to measure something in the future.

The duties and responsibilities of a U.S. President who is also the head of a superpower country are exceptionally heavy. The scope of his responsibilities does not cover the United States only, but also the whole world, especially in his capacity as leader of the only superpower country.

The problems faced in the future will certainly be different from those during the cold war and the ways to solve them will also be different. This will be a new challenge to be faced by the U.S. leader and other world leaders.

Having seen what has happened thus far, we are incresingly convinced that the future course and direction of history are determined not only by scientific and technological progress, but also by the history actors, who include world leaders, heads of state, spiritual leaders, and great thinkers.

Based on this assumption, we also believe that as long as the United States remains a superpower country, its President's role and commitment to global affairs will inevitably determine global developments. After the collapse of the Soviet Union, viewed previously as a balancing power, the United States and its President now appear to control things with more ease.

As a leader of a big country, the U.S. President is also required to fulfill its responsibility to bring progress to the world. The future tasks and challenges to be faced by a U.S. President will be more complicated. The course and direction of global changes after the end of the cold war are still uncertain.

Therefore, the decision, move, or action to be taken by the United States as a great actor will largely determine the future course of history, especially before the end of this 21st century. Because of this great responsibility, the personality and image of a U.S. President is very important.

It is not surprising to see how the U.S. media have exposed the private life of a U.S. presidential candidate, including his sexual life. It is indeed a kind of screening test. As an electorate, the American people want to know and have the right to know the personal integrity of their leader. The President's office and authority in the U.S. democracy are something transparent.

'Defensive' East Timor Policy Criticized

BK0303083392 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 3 Mar 92

[From the press review]

[Text] MERDEKA questions why Indonesia's foreign policy, which is supposedly active and independent, in reality tends to be reactive and defensive. Reviewing the government's response to the 12 November 1991 Dili incident up to the planned arrival of the Portuguese ship Lusitania Expresso in Dili, this daily believes that the government has always adopted a reactive and defensive posture only.

MERDEKA wonders why the government's policymakers have not adopted a more assertive, progressive, creative, and innovative political maneuver to deal with the East Timor issue.

Alatas Speaks on Universal Human Rights

BK0103155392 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 1 Mar 92

[Text] Foreign Affairs Minister Ali Alatas has said that the characteristics of human rights and freedom are universally valid. However, they cannot be applied uniformly in each country. Their manifestation in one country should not be necessarily identical with that in another country due to many factors, including the national context. This was stated by Foreign Affairs Minister Ali Alatas replying to questions in Bonn. Ali Alatas was on a one-day visit to the German capital of Bonn as part of his second tour of Western Europe to clarify the Dili incident to local officials.

According to Ali Alatas, social and cultural conditions, economic progress, and the problems faced by each country will cause the different application of human rights and freedom in each country. Minister Alatas also said that the human rights issue, which has now become an international focus, is not something new. He said that the Indonesian Government has consistently promoted the application of human rights and freedom because the matter is embodied in Pancasila as the state philosophy, the 1945 Constitution, and a number of laws and regulations.

Military Officers To Assume UN Post in Cambodia

BK0303032092 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 3 Mar 92

[Text] Twenty Indonesian military officers grouped in the UN peacekeeping force for Cambodia arrived in Phnom Penh yesterday. A Phnom Penh-based ANTARA correspondent reported that they are part of the 22,000 military, police, and civilian personnel belonging to the UN Transitional Authority in Cambodia, which is in charge of monitoring disarmament process among the four Cambodian factions before the 1993 general elections. Units of the Indonesian and Malaysian battalions, each consisting of 850 troopers, are scheduled to arrive in Cambodia on 15 March.

Diplomatic Relations Established With Grenada

BK2802131992 Jakarta ANTARA in Indonesian 1105 GMT 28 Feb 92

[Text] Jakarta, 28/2 (ANTARA)—Indonesia and Grenada have signed a joint communique on the official establishment of diplomatic relations.

The communique was signed by Abdul Rachman Ramly, ambassador extraordinary and plenipotentiary of the Republic of Indonesia to the United States, and Denneth Modeste, Grenadian ambassador extraordinary and plenipotentiary to the United States, in Washington D.C. on Friday.

Grenada is an island state of 344 square kilometers in the Caribbean, about 90 miles to the north of Venezuela. It gained independence from Britain on 7 February 1974 after more than 200 years of colonial rule.

Being a member of the British Commonwealth of Nations, the country's head of state is Queen Elizabeth II who is represented by Governor General Paul Scoon, while the head of government is Nicholas Brathwaite who is concurrently minister of foreign affairs.

The country with St. George's as its capital has a population of about 100,000. Sixty-four percent of them are Roman Catholics. English is the country's official language.

Laos

U.S. Diplomat Presents Textbooks to Ministry

BK2202120892 Vientiane KPL in English 0904 GMT 22 Feb 92

[Text] Vientiane, Feb 22 (KPL)—A hand-over ceremony of English course books for beginners from the U.S. Administration to the Ministry of Education and Sports was held here at the ministry yesterday morning.

On behalf of the U.S. Administration, Mr. Charles B. Salmon Jr, U.S. charge d'affaires to Laos, presented the books to Mr. Khamtan Chanthala, deputy minister of education and sports, in the presence of representatives of the Ministry of Foreign Affairs and relevant departments of the Ministry of Education and Sports.

The gifts consisting of 1,000 course books worth U.S. $5,000 will be used in English study at various schools in Vientiane Prefecture.

Talks Held With SRV Inspection Board Group

BK2902092892 Vientiane KPL in English 0905 GMT 29 Feb 92

[Text] Vientiane, Feb 29 (KPL)—Delegations of the Party-State Inspection Boards of Laos and Vietnam yesterday met in Vientiane to exchange views on the party-state inspection related issues in an effort to ensure a more effective cooperation between the two boards.

Heading the Lao side at the meeting was Mrs. Davon Vongsak, alternate member of the Lao People's Revolutionary Party Central Committee, vice-president of the Party-State Inspection Board, while the Vietnamese side was led by Le Van Kiet, member of the Communist Party of Vietnam Central Committee, vice-president of the Party-State Inspection Board.

The Vietnamese delegation arrived here on February 27 on a working visit to Laos at the invitation of the Lao side.

Agreement Signed With Canadian Development Group

BK0203115092 Vientiane KPL in English 0902 GMT 2 Mar 92

[Text] Vientiane, March 2 (KPL)—Mr. Khamphoui Keoboualapha, vice prime minister and minister of economics, planning, and finance, received here on Feb. 29 a visiting delegation of the Institute for International Development of Canada led by its president.

Vice Prime Minister Khamphoui Keoboualapha on the occasion appreciated the delegation's visit, which represented a significant contribution towards strengthening the Lao-Canadian relations of friendship and cooperation.

The Canadian delegaion visited Laos on Feb. 27-29, 1992, during which it signed with the representative of the Lao Ministry of Science and Technology a grant aid agreement of U.S. dollars 215,000 from the Canadian Government to Laos.

The grant aid was to support the activities in developing and improving the technical, scientific information facilities at the ministry and in the provinces of Luang Prabang, Savannakhet, and Champassak.

Cadre Training Cooperation Signed With PRC

BK0303100892 Vientiane KPL in English 0910 GMT 3 Mar 92

[Text] Vientiane, March 3 (KPL)—An agreement on cooperation in cadre training was signed here on Feb. 29 between the deputy director of the party-state school of Laos and the visiting deputy director of the party school of the People's Republic of China.

The cooperation also covers exchanges of academic experience and programme in theoretical study.

Present at the signing ceremony of the document were Sileua Bounkham, member of the Lao People's Revolutionary Party Central Committee, director of the party-state school of Laos, and Huang Guocai, Chinese ambassador to Laos.

The signing of this cooperation agreement was to promote and develop special relations in the area of party-state theoretical affairs between Laos and China.

Memorandum Signed With Chinese Trade Union

BK0203105892 Vientiane KPL in English 0905 GMT 2 Mar 92

[Text] Vientiane, March 2 (KPL)—A memorandum on the handover of 40 bicycles from the Chinese Trade Union to the central Lao Federation of Trade Union (LFTU) was recently signed in La District of Yunnan Province, the People's Republic of China.

The signatories to the document were chairman of the LFTU's chapter of Luang Namtha Province, who is also member of the LFTU executive member, and vice chairman of the trade union chapter of Yunnan Province.

The two sides also held talks there during the visit to Yunnan by the Lao delegation. The two delegations informed each other of their activities. The sides saw the need to promote ties between Yunnan and Luang Namtha Provinces, particularly between the trade unions of the two provinces.

Kaysone Accepts Credentials of Hungarian Envoy

BK2902144992 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 29 Feb 92

[Text] This morning Kaysone Phomvihan, president of the Lao People's Democratic Republic [LPDR], accepted credentials from Peter Trunk, new ambassador of the Republic of Hungary to Laos attached to the chancery in Bangkok, Thailand.

At the ceremony to accept the credentials, President Kaysone Phomvihan held a cordial conversation with the new Hungarian envoy in an amicable atmosphere. The president congratulated Peter Trunk on assuming the post of Hungarian ambassador to Laos and expressed hope that the envoy will contribute to strengthening relations and cooperation between Laos and Hungary to become more highly efficient.

After presenting the credentials to the LPDR president, the new Hungarian ambassador also paid a courtesy call on Phoun Sipaseut, deputy prime minister and foreign minister of the LPDR.

Khamphoui Keoboualapha Leaves for Aid Conference

BK0203134592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 2 Mar 92

[Text] Khamphoui Keoboualapha, deputy prime minister and minister of economics, planning, and finance, and delegation left Vientiane for Geneva, Switzerland, on the morning of 2 March to attend a roundtable conference. To be held on 4 March for the first time by the Lao People's Democratic Republic [LPDR] Government in collaboration with the United Nations Development Program [UNDP], it is aimed at raising aid funds for the LPDR. It will be attended by representatives from 16 friendly countries and 10 international organizations. It will be also attended by the representatives of the UNDP and the UNICEF to Laos.

In the one-day conference, the LPDR deputy prime minister will present a report on the general situation in Laos and its achievements in implementing the new economic policy adopted by the fifth congress of the Lao People's Revolutionary Party [LPRP]. He will also submit to the conference for consideration and endorsement some 30 economic, cultural, and social development projects for 1917-1995 [as heard]. The projects need some $180 million in aid from friendly countries and international organizations. Some of the projects have already received aid and are now being implemented.

Repatriated Refugees Treated Well in Bokeo

BK0303023092 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 3 Mar 92

[Text] Work by the social welfare service of Bokeo Province has been satisfactorily performed in the past year, especially in dealing with 89 families of 446 refugees who were voluntarily repatriated from abroad and treated well by the service which provided them with living shelter, land for production, essential tools for carrying out a livelihood, and education and vocational training. These refugees are mostly from the Yao, Muser, Kui, Ko, Khamu, and Mong ethnic groups. In addition, rural development in the province has also made progress. In contributing to this development plan, the service helped repair the gravity-fed water facility in Nam Gnong canton and allocated budgets for building irrigation facilities in the Nam Tong Neua, Nam Tong Tai, and Houai O areas. It dug a 1,820 meter-long irrgiation canal worth 82 million kip.

As for public health and education work, the service has completed building three health stations and two primary schools.

Reports said that in the past year, the service has been given aid worth 71,590,000 from international organizations, especially the UN High Commissioner for Refugees.

Retail Trade Value Increased in 1991

BK2602132592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 26 Feb 92

[Text] According to statistics from the Ministry of Trade and Tourism, the value of retail trade in the country in 1991 was estimated at 593 billion kip, an increase of 45 percent over that in 1990. The increase is attributed to the growing number of retail shops nationwide. In 1991, there were 21,600 retail shops, an increase of 15,000 from the number in 1990. Moreover, domestic production has also been on the rise.

Measures To Protect Local Goods Production Cited

BK2902093292 Vientiane KPL in English 0908 GMT 29 Feb 92

[Text] Vientiane, Feb 29 (KPL)—This year the Ministry of Trade and Tourism plans to take measures to protect locally produced goods.

A regulation to be issued soon is aimed to guarantee adequate consumption of quality goods and promote foreign investment in Laos. The policy to promote and protect goods produced in the country will include fixing standards of import goods which is also produced at home and will look for new foreign markets where privileges in terms of import tariff are given to export countries. In this context, accountancy and debt settling must be reviewed.

Up to now, foreign goods have flooded the domestic market, thus giving a heavy blow on domestic production as well as on foreign investment in the country.

Philippines

Secretary Sees Subic Parting As Amicable

HK0203123592 Hong Kong AFP in English 1200 GMT 2 Mar 92

[Text] Manila, March 2 (AFP)—The U.S. withdrawal from Subic Naval Base is on schedule, U.S. Defense Assistant Secretary Richard Lilley said here Monday as he gave assurances the United States would remain active in the region.

Lilley said that in his meeting with President Corazon Aquino, they had discussions on "the whole aspect of regional security," including the pullout from Subic, adding that "I think we have to proceed pretty much on schedule."

"I think it's going along very well," Lilley said, citing the pullout of one U.S. Navy drydock from Subic last February 22.

The other two drydocks will be withdrawn from Subic in March and April he said, adding that the withdrawal of the drydocks had been previously discussed with Manila.

Aquino had asked Washington to leave one of the drydocks behind so it could be used by Manila when Subic was converted to a commercial port.

U.S. forces will have to pull out of Subic by the end of this year after the Philippine senate rejected a treaty last September extending the lease of U.S. bases in this country for 10 years.

Defense Secretary Renato de Villa said "We are parting amicably, we are parting as good friends," and denied local charges that the Americans were removing all three drydocks to spite the Philippines for rejecting the treaty.

De Villa also announced that the Philippine Navy, one of the most primitive in the region, was beginning war games Monday, the first time for it to be conducting war games without U.S. support. But he denied this was linked to the U.S. withdrawal.

Subic Equipment List Unavailable

HK0303054792 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 3 Mar 91

[Text] A list of the equipment to be left behind by the Americans when they leave Subic Naval Base does not exist. This was declared by Defense Secretary Renato de Villa in an interview with DZMM's Radyo Patrol. He said the United States has invited the Philippine Government to conduct a joint inspection in connection with the bases pullout. However, there is no list of the facilities to be made available to the Philippines. It is also uncertain whether the Americans will leave behind some equipment to be turned over to the Philippines. A report by the U.S. panel says dismantling of the equipment will be completed before the rainy season in July.

Hong Kong, Singapore May Provide Aid

HK0203052792 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 2 Mar 92

[Text] President Corazon Aquino said she is hoping for aid from foreign capitalists to help make Subic Naval Base a going concern. The president said funds may not come from the United States but possibly from Hong Kong and Singapore. She said this after there was no response from U.S. President George Bush to the country's request for the Americans to leave behind their drydocks. Mrs. Aquino stressed that the Philippines is no longer awaiting a response, especially since she knows the Americans themselves need to use the drydocks at their new venue.

Money Needed To Clean Up Bases

HK0303131292 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 1200 GMT 3 Mar 92

[Text] The Philippine Government is expected to need 1.5 billion Philippine pesos to clean up the toxic wastes at the military bases which the Americans are going to leave behind. This estimate was announced by the Department of Environment and Natural Resources.

Meanwhile, Senator Heherson Alvarez said that the Philippines might have to answer the cost of cleaning up both Subic Naval Base and Clark Air Base because according to a report by the U.S. General Accounting Office, no provision in the bases agreement requires Washington to clean up any of the environmental damages caused by the bases.

Malacanang Prepared To Defend Spratlys Claim

HK0303021792 Quezon City MALAYA in English 3 Mar 92 p 6

[By Chit Estella]

[Text] Malacanang said yesterday the Philippines is not worried by China's recent declaration of the Spratlys as part of its territory that will be defended by military means if this is encroached upon by other nations.

But the United States expressed concern over this recent development, saying China's move was "ill-timed."

In a statement, Press Secretary Horacio Paredes said the Philippines, too, was ready to militarily defend its claim over the Spratlys. "Whether that defense can withstand an attack by a near-superpower... is something I don't want to get into. That's up to our military people," he said.

Expressing confidence that China is more interested in a peaceful resolution of the problem, Paredes said, "I don't think there is anything to get really worried about. Whatever disputes there will be, I am sure [they] can be discussed among friends, which we are with the People's Republic of China."

But James Lilley, visiting U.S. assistant defence secretary for international security, told reporters in Malacanang, "It seems to me the Chinese's passing of a law on the Spratlys was particularly ill-timed."

Vietnam Eyed as Cheap Source of U.S.-Made Arms

HK0303034892 Manila THE CHRONICLE in English 3 Mar 92 p 3

[By Manny Mogato]

[Text] Senior defense and military officials have set their eyes on Vietnam as a major source of cheap U.S. made weapons and military equipment, parts, and other war materials.

Some local private defense manufacturing firms have, in fact, started importing gun parts and other materials from, Hanoi where the materials are relatively cheaper.

One local defense manufacturer, the Tanay, Rizal-based Floro Industries, has been buying M16 rifles and combat pistols from Vietnam.

Vietnam sells a wide array of military products from assault rifles and crew-serve weapons to artillery and aircraft parts.

These materials are part of the huge inventory of weapons, equipment, and other supplies which the Vietnamese forces have seized from retreating U.S. forces at the end of the Vietnam War in 1975.

Vietnamese forces have no use for these equipment because they rely heavily on Soviet and Chinese-made weapon systems. But they have found productive use of these weapons by selling these to countries using U.S.-made weapon systems.

Thailand was the first Asean country which bought weapons from Hanoi after the Royal Thai Armed Forces commander entered into an agreement with his Vietnamese counterpart last January for a unique weapons exchange scheme.

Under the scheme, Thailand hopes to get aircraft parts for their F-5 fighters and other weapons from Hanoi, in exchange for tank parts for their Vietnamese and Chinese-made main battle tanks.

The Americans, who have been trying to reestablish close contacts with the Hanoi government, has apparently approved of the sale of weapons which were considered part of the Vietnam war spoils.

Some senior military officials have proposed that the Philippine government take this matter as an important part of its agenda with visiting Vietnamese Prime Minister Vo Van Kiet in Manila.

The country has been looking for alternative sources of war equipment after the proposed treaty to extend U.S. military presence in the country was rejected last year, signalling a virtual end to U.S. military assistance.

Secretary Admits Gunrunning by Army Personnel

HK0303021092 Manila PHILIPPINE DAILY INQUIRER in English 3 Mar 92 p 4

[Editorial: "Gunrunning in the AFP"]

[Text] Defense Secretary Renato de Villa and the spokesman for the Armed Forces both admitted last week that corrupt and "cash-strapped" soldiers have been selling military-issue guns, ammunition, gasoline and even combat boots to communist insurgents in Mindanao.

Then, much in the same vein as his famous "Everything is under control" statement on the eve of the Dec. 1, 1989 coup attempt, De Villa said: "We lament that it happened. But we're doing something about it." We can perhaps be forgiven if we're unable to check the shudder that rises unbidden along our spine at this assurance. [quotation marks as received]

Despite this damning admission from our highest defense official, however, there has surprisingly been very little comment on it from colleagues in media. This is unfortunate particularly in the light of allegations made by an NPA [New People's Army] procurement officer detained at Camp Evangelista in Cagayan de Oro who said he was certain that Army bullets killed Army soldiers in the Marihatag, Surigao del Sur ambush last Feb. 15. We can only guess how many other nameless soldiers and civilians have been cut down by bullets sold for private gain by military gunrunners.

By the admission of Victor Pasco, the NPA procurement officer, he arranged the purchase of P8 million [Philippine pesos] worth of guns, ammunition and other supplies since 1986 up to his capture last Jan. 8. Pasco named two Army supply sergeants in the Cagayan-based 4th Infantry Division as his direct suppliers of war materiel. A top Cagayan police official added that an Army lieutenant colonel, a former PC [Philippine Constabulary] deputy regional commander and prominent civilians in the area were also involved in the treasonous sale of arms and ammunition.

Well-entrenched does not quite describe the large-scale industry this criminal activity has turned into in Cagayan de Oro and surrounding areas. But how is the business in other areas? Does anybody in the Armed Forces know? With De Villa's announcement, can soldiers now feel assured they won't die or be wounded with arms intended for their own use. Or do we simply chalk this up as one more proof of how much the military organization has gone out of control?

A long time ago, it seems, when he was still the nation's number one soldier, Gen. Renato de Villa bravely promised to rid the AFP [Armed Forces of the Philippines] of scum and scalawags within a given period of time. The deadline quickly passed, but nothing happened. We hope there will be no more Marihatags in our future to remind us how actions fall short of promises in this administration.

Cavite Mayor, 2 Bodyguards Killed in Ambush

HK0303093792 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Mar 92

[Text] Mayor Octavio Velasco of Ternate, Cavite, was killed in an ambush by unidentified gunmen at 1220 today in front of the Ternate Municipal Hall. Initial investigation shows that Mayor Velasco was on his way to his office and was alighting from his car when he was suddenly fired on by the assassins. Also killed were two of his bodyguards, Conrado Manuel and Alberto Santos. Witnesses said that the suspects, who were armed with large-caliber weapons, were riding in a blue Lancer with number plate PVP-951.

In view of this, Cesar Nazareno, Philippine National Police [PNP] director general, has ordered a pursuit operation for the mayor's killers. The Cavite PNP has been placed under red alert to facilitate the quick apprehension of Mayor Velasco's assassins.

Candidate's Bodyguards Attack 'Suspected Assassin'

HK0203073892 Hong Kong AFP in English 0724 GMT 2 Mar 92

[Text] Manila, Feb [month as received] 2 (AFP)—Bodyguards of a popular Philippine presidential candidate Monday attacked a suspected assassin carrying an ice pick near the aspirant, but he turned out to be a fan, eyewitnesses said.

Former land reform secretary Miriam Santiago, a frontrunner in popularity surveys ahead of the May 11 polls, had just arrived at the election commission when her bodyguards saw a man with an ice pick tucked in his waist among people lined up to shake the candidate's hand.

Three plainclothes bodyguards guarding Santiago kicked and punched Ahmed Cordillo, 23, to the floor and pointed a .38 caliber revolver at his ribs as he pleaded innocence, saying he happened to be delivering ice when he saw the chance to meet the candidate.

An election official intervened, telling Santiago's aides that the man worked for an ice company servicing the commission, but they nevertheless took Cordillo away to be booked by police for carrying a deadly weapon.

Corporal Dante Campos of the Manila police said they investigated Cordillo but freed him without charges after they confirmed he was just an ice delivery man, and election officials vouched for him.

Santiago, an acid-tongued ex-judge popular among the youthful electorate for her anti-graft platform, has consistently topped popularity polls, but many analysts say the lack of a nationwide political machinery could undo her on election day.

She had visited the commission to accompany her vice-presidential running mate, Ramon Magsaysay, son of a former president, in filing his candidacy papers when the ice pick incident occurred.

Eight candidates, including former first lady Imelda Marcos, are running for president in May after the incumbent Corazon Aquino shunned a reelection bid.

Mistaken Report

HK0303024092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Mar 92

[Text] There is no truth to the report of an attempted assassination against presidential candidate Miriam Defensor-Santiago. Santiago was said close to having been attacked with an ice pick carried by a man identified as Ahmed Cordillo at the office of the Commission on Elections [Comelec] yesterday morning.

However, several Comelec officials said the youth was often seen in the premises as he regularly delivered ice to the Comelec employees. The youth became excited when he saw Santiago and forgot himself, not realizing that he was still holding an ice pick when he approached Santiago.

Shooting Mars Lanao del Sur Voter Reregistration

HK0203012992 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 1 Mar 92

[Text] The general reregistration in Lanao del Sur last Saturday was marred by violence. Reports said 13 people were injured, three seriously, when armed men attacked and shot up a polling precinct at the municipal hall in Lumbayanagi town, Lanao del Sur. Philippine Army members repulsed the attackers with 16-mm mortars. The firefight is reported to have lasted 25 minutes.

This is the first violent incident reported during the two-day general reregistrations in Lanao del Sur, Marawi City, and Makati.

In his report to Commission on Elections Commissioner Haydee Yorac, Lumbayanagi election registrar Borangotan Mamailao Apjal said the attack occurred after local election officials turned down a a mayoral candidate's request to set up another registration center. The candidate was identified as Danai Azum.

Comelec Control Uncertain

HK0203050892 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 2 Mar 92

[Text] Two cases of violence and commotion have shattered the calm of the past two days of reregistrations in Makati, Lanao del Sur, and Marawi City. Tony Valencia reports:

[Begin recording] Commission on Elections [Comelec] Chairman Christian Monsod declared that the Lanao del Sur incident had nothing to do with the registrations. However, an incident in Lumbayanagi is being investigated by the Philippine National Police and overseen by Commissioner Haydee Yorac, who is in charge of the area. The poll body is awaiting Yorac's report, after which the Comelec will decide if Lanao del Sur and Marawi City will be placed under Comelec control for the 11 May election.

Monsod said that, all in all, reregistrations in those areas have been orderly and peaceful so far, except for the two incidents which are being probed by the poll body. [end recording]

One Killed During Reregistration

HK0303024492 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Mar 92

[Text] There is no truth to the report that 13 persons were killed during the reregistration of voters in Marawi City and Lanao del Sur on 29 February and 1 March. Commission on Elections Commissioner Haydee Yorac explained that only one person was killed and seven were injured in Lumbayanagi town, during a scramble for registration forms by a group of armed Muslims. Yorac added that the reregistration in that town was disrupted.

NPA Says Ex-Member Behind Barnes Kidnapping

HK0303020392 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Mar 92

[Text] The New People's Army has disclosed that a military informant who was dismissed from the group is responsible for the kidnapping of U.S. executive Michael Barnes. Alex Boncayao Brigade [ABB] Commander Sergio Romero said that the kidnappers were led by Alfredo de Leon, who had been discharged from the ABB. Romero said the ABB has no involvement in the abduction of Barnes, who was kidnapped by three armed men on 17 January in front of his Philippine Geothermal Incorporated office in Buendia, Makati.

De Villa Refutes NPA Statement

HK0303093892 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 3 Mar 92

[Text] Defense Secretary Renato de Villa has refuted a statement by the new People's Army Alex Boncayao Brigade's [ABB] Sergio Romero that the kidnapper of Michael Barnes is no longer a member of the ABB. De

Villa said that Romero's statement disowning suspect Alfredo de Leon as an ABB member is only part of their psychological warfare against the Armed Forces. In a gathering at the Manila Pavillion this morning, De Villa said he cannot just shrug off earlier reports by the Philippine National Police-Criminal Investigation Service and the National Bureau of Investigation because of this game played by the communist rebels. De Villa also warned the public not to listen to this farce as this is only part of the communist rebels' propaganda.

Rebel Group Apologizes to Victims' Families

HK0203013092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 1 Mar 92

[Text] The National Democratic Front has apologized to the families of the victims of bombings in Davao del Sur. According to Angelo Zapanta, head of the Edilberto Tiangco Canoy Command, the attacks were aimed at the substations of the Philippine National Police. Two people were killed and six injured during the last bombing. Zapanta pledged to punish all those responsible for the bombings.

Military Moves To Capture Top NPA Rebels

HK0203024192 Manila MANILA BULLETIN in English 2 Mar 92 p 8

[By Mike Crismundo]

[Text] Diatagon, Lianga, Surigao del Sur—Task Force Diamond II composed of three Army battalions under Col Santos Gabison, a jungle-trained Seout Ranger support company and support units of the 4th Infantry Division have encircled the mountain municipalities of Cagwait, Marihatag, Bayabas and Tago, all of this province, in an attempt to capture anew renegade priest Francisco Navarro, alias "Ka [Comrade] Migo," and five other top New People's Army officers of the Komisyon Mindanao (Komid).

Latest field reports said that Father Navarro and his group are holed up in the mountain of Marihatag, described as Navarro's bailiwick town where his brother is running for a local position in the May 11 elections.

A full-scale war between Navarro's group and the Armed Forces of the Philippines looms in this province. This prompted the Aras-Asan Timber Co to temporarily stop its logging and wood-milling operations.

Military sources said the temporary closure of the Aras-Asan Timber Co was recommended by AFP [Armed Forces of the Philippines] field commanders in the area following receipt of an alleged report that the company is supporting Navarro's group.

Last week, Scout Rangers under Capt Roberto Mercado, the 401st Infantry Brigade and helicopter gunships of the 10th composite air support forces displayed a show of force by surprising a rebel column on its way to reinforce Father Navarro and his group.

The reinforcing rebel group, which came from Front 3 of the Davao del Norte provincial party committee, was attacked by Captain Mercado's men in sitio Maica, barangay Libertad, Bunawan, Agusan del Sur.

The full-scale operation of the AFP in northeastern Mindanao against the communist rebels was launched to avenge the killing of 41 Army soldiers and militiamen in an ambush last Feb 15 in Aras- Asan, sources said.

Thailand

Prime Minister Anan Receives Richard Solomon

BK0203142592 Bangkok Army Television Channel 5 in Thai 1230 GMT 2 Mar 92

[Text] U.S. Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon said he is pleased with the fact that an election will be held in Thailand and that the United States will review assistance to Thailand after that. Solomon, accompanied by the U.S. ambassador, called on Prime Minister Anan Panyarachun today at Government House for over 40 minutes. He informed newsmen later that the purpose of his call was to thank the Thai Government for its part in effectively resolving the problems in Cambodia and Vietnam. He would be traveling to Hanoi to discuss U.S. humanitarian assistance to that country and cooperation in the search for Americans missing in action in Vietnam. Regarding budgetary assistance to Cambodia, Solomon said assistance is certain to be forthcoming and that the matter is being negotiated.

Meanwhile, the prime minister said the visit by the U.S. assistant secretary of state will be the last before his government leaves office. He said the United States is pleased that the election will be held in Thailand and affirms that close relations between the two countries will continue.

The prime minister also said relations between the United States and Cambodia and Vietnam have improved. In particular, he hopes that Solomon's visit will result in greater flexibility by both sides.

[Begin recording] [Anan in progress] Over 50,000 men, and it is related to the Vietnam war. This is a mental issue with the American families. I expressed the hope that in his meeting with Vietnamese leaders, both sides will be flexible. It would be a good thing if Vietnam shows an attitude that would make the U.S. side feel it could contribute to the normalization of bilateral relations. [end recording]

PRC Radio, TV Minister Visits Radio Thailand

BK0203143592 Bangkok Radio Thailand Network in Thai 1200 GMT 2 Mar 92

[Text] Ai Zhisheng, PRC minister of radio, film and television, and his 30-member delegation visited Radio Thailand at Wiphawadi Rangsit Road at 1330 today.

The Chinese delegation is visiting Thailand at the invitation of the National Psychological Operation Committee. Thawat Meksawan, director general of the Public Relations Department, and senior officials welcomed the Chinese delegation. The director general of the Public Relations Department briefed the visitors on the duties and responsibilities of the department. He told the visitors the department is a public relations unit of the government and is under the jurisdiction of the prime minister's office. It acts as a mass media to establish good understanding among the people, government, and government agencies by providing news reports, knowledge, facts as well as collecting people's opinions for the government. On the occasion, he also showed slides during the briefing.

After the briefing, PRC Minister Ai Zhisheng appreciated the warm welcome. He said his visit reciprocates the Thai delegation's visit to the PRC last year. The PRC delegation comprises officials in charge of radio and television affairs from various provinces in China. The China operations of radio and television activities are similar to Thailand's. The PRC minister hoped that his visit would strengthen ties and cooperation between the two countries.

Government To Liberalize Financial Service Sector

BK0303015392 Bangkok THE NATION in English 3 Mar 92 p B1

[Text] The Thai government will shortly make an official offer to liberalize three more financial service markets—credit cards, factoring and financial consultancy—to foreign operators, said senior trade negotiators.

Suchai Chaowisit, chief trade negotiator in services and counsellor to the Commerce Ministry, said the Finance Ministry has agreed to expand the coverage of the proposal to liberalize the country's service sector in the Uruguay Round of global trade talks.

Although foreign service providers are already allowed to set up these businesses in Thailand, the offer under the multilateral talks means that the government will not discriminate against or restrict entry of foreign operators should they comply with existing domestic regulations, the official added.

Moreover, this will also mean that the Thai government cannot simply change rules services at will if the changes affect those already in the business as well as new entrants.

Under the Thai law, foreign operators can hold only 49 percent equity in these services. The majority shareholding must remain Thai, he added.

Suchai, who just returned from the five-day service talks in Geneva which ended on Feb 28, said that seven trading partners submitted further requests to Thailand to open more of its services. The seven countries are the United States, Japan, the European Community, New Zealand, Switzerland, Sweden and Australia. Most of them pushed for majority holding in these businesses as well as cross-border operations.

Cross-border operations mean that American service providers, for instance, can operate in Thailand directly from New York or Boston without local representation.

According to a source at the Bank of Thailand, the package was Thailand's minimum offer in the Uruguay Round of the General Agreement on Tariffs and Trade (Gatt) which aims at reforming the world's trade in both goods and services.

In fact, the offer was initially discussed among the Southeast Asian Countries' central banks (Seacen), but the member countries later decided to go on their own, he added.

The official said that the opening of the credit card, factoring services and financial advice to foreign operators would benefit local business interests as well. This would also give better exposure for Thai service providers given that foreign investors must form joint ventures with local companies.

Suphachai Phisitwanich, deputy permanent secretary of finance, added that the Finance Ministry ruled out the US request that the Thai government consider opening the banking sector for foreign banks.

He added the request was extremely lopsided for, in reality, Thai banks would not be able to compete with American financial institutions although they are allowed access to the US market. "We will not benefit from it," he added.

The US suggested that Thai banks would be eligible to set up branches and subsidiaries anywhere in the US should the Thai government reciprocate.

According to a senior trade official. Thailand stands firm by its commitment to support a strong multilateral trading system, but free trade in services would mean for developing countries "a government permission for foreign operators to take over the Thai business".

According to Suchai, the offer will be made in addition to the 19 services that the Thai government has included in its preliminary proposal.

They include attorneyship, accountancy, architecture, engineering services other than construciton, data processing services, database services, market research and public polling, advertisement, services incidental to oil fields, maintenance and repair of equipment, packaging, translation and interpretation, consultancy, brokerage excluding securities, installation of machinery, construction and restaurant.

Government Gains Interest in Oil Business

BK0303020992 Bangkok BANGKOK POST in English 3 Mar 92 p 13

[Text] The Thai Government yesterday signed an agreement to acquire a 12.5 percent interest in Esso Standard Thailand's (EST) substantial oil refining and marketing business.

The share purchase price was not disclosed but the agreement gave the Government, through the Finance Ministry, access to EST assets which were estimated to be worth about 10 billion baht and included a 63,000 barrels per day (b/d) refinery, 12 oil terminals and more than 600 service stations.

The accord also included clauses relating to future Thai Finance Ministry co-investment in an EST project which would boost the refining capacity of its Sri Racha refinery from 63,000 b/d to 145,000 b/d by 1995.

The scheme was estimated to cost more than US$900 million (22.5 billion baht) and was Esso's largest current refinery expansion investment worldwide.

The share purchase price was based on an independent valuation completed a month ago by three international financial institutions—Indosuez, the Chase Manhattan Bank and Finance One of Thailand. The divestiture was handled according to terms specified in the refinery expansion agreement Esso concluded with the Thai Government on December 27 last year.

Within five years of the scheduled completion of the refinery expansion, Esso would also offer 20 percent of its shares to the Thai public and list its shares on the Thai stock market.

The company would then be 70 percent owned by Exxon, 10 percent by the Finance Ministry and 20 percent by the public.

Montri Vows To Remain Leader of SAP

BK0303014592 Bangkok THE NATION in English 3 Mar 92 p A1

[Text] Montri Phongphanit, ruled corrupt by the Assets Investigation Committee, yesterday said he would remain leader of the Social Action Party [SAP] and dismissed a report the SAP secretary general was ready to take over from him.

"There is no way a leadership change can occur at Social Action," said Montri, who was declared "unusually rich" by the assets committee on Saturday.

The assets panel's ruling intensified speculation that Montri would be challenged soon for the leadership by SAP Secretary Kasem Kraisan, a close friend of Supreme Commander Suchinda Khraprayun.

Kasem became secretary-general after the coup last year in a surprise move that raised speculation the military was trying to influence political parties. Kasem's arrival on the political scene followed a leadership change in the Chat Thai Party, now led by ACM [Air Chief Marshal] Sombun Rahong who has strong military connections.

After the military-established assets committee ordered the seizure of assets worth Baht [baht] 336.5 million from Montree, Kasem said SAP members would continue to support the leader.

"Party members still believe in the leader," Kasem said on Sunday. "We believe that he is innocent and will continue to support him."

Kasem also said the ruling against Montri at least proved there was no "secret arrangement" between the SAP and the military.

If Montri appeals the ruling, he risks a life-long election ban should the Supreme Court uphold the assets committee's decision.

Kasem was asked if he might have to replace Montri if the corruption ruling eventually doomed the latter's career.

"If you are ready to become a party leader, you must be ready for the premiership as well. Give me some time to think about it (replacing Montri)," he said, adding that Montri remained "The most suitable leader."

Montri said he did not believe Kasem was manoeuvring to unseat him.

"No way. I don't think he is that arrogant," Montri told reporters. "Don't try to drive a wedge between us."

At his home yesterday, in his first formal press conference since being declared unusually rich, Montri strongly denied charges by the assets committee and said he had been the victim of political persecution.

The assets committee voted five to three to declare Montri unusually wealthy. The decision came after a subcomittee of the panel recommended that the ex-communications minister be acquitted, an informed source said yesterday.

"I seriously doubt the decision of the assets committee. When the holders of power fight among themselves, why should I have to suffer?" he said.

He said that despite his own case, he would not initiate a move after the general election to grant amnesty to politicians ruled unusually rich by the assets panel.

Vietnam

Camp Inmates Freed Before U.S. Official's Visit

BK0203165692 Hong Kong AFP in English 1121 GMT 2 Mar 92

[Text] Hanoi, March 2 (AFP)—Vietnam said Monday that 40 supporters of the U.S.-backed Saigon government had been freed from reeducation camps, two days before a visit by U.S. Assistant Secretary of State Richard Solomon. "Since the start of the year about 40 prisoners (in reeducation camps) have been sent back" to their families, a Foreign Ministry spokesman said, indicating the government was studying the release of other such prisoners.

An Interior Ministry official said in December that 106 people considered "most dangerous" were still detained in reeducation camps.

Tens of thousands of Saigon government supporters—civilian as well as military—were sent to reeducation camps after it fell to the communists in 1975, waiting years before they were brought to trial. But in 1976 Vietnam adopted a policy of opening aimed at overhauling its stricken economy, and authorities since then have released thousands of prisoners from the reeducation camps.

The Foreign Ministry spokesman also reiterated Monday that all those who worked for the Saigon Government would be allowed to resettle in the United States if they wished.

Solomon, due here Wednesday for talks on the some 1,700 American servicemen still listed as missing in action (MIA) during the Vietnam War and humanitarian issues, is likely to raise the reeducation camps. He represented Washington at recent discussions on normalising bilateral ties.

The United States has made resolving the fate of the MIAs a pre-condition to normalisation, along with implementation of the Cambodian peace agreement and liberation of supporters of the Saigon government.

Vo Van Kiet Writes to Thai Premier on Committee

BK0203162192 Hanoi VNA in English 1603 GMT 2 Mar 92

[Text] Hanoi VNA March 2—Chairman of the Council of Ministers Vo Van Kiet on February 24, 1992 sent a letter to Thai Prime Minister Anan Panyarachun asking him to use his prestige to get the Mekong Committee to resume its work with the participation of the Supreme National Council of Cambodia (SNC).

The letter was conveyed by the Vietnamese ambassador to Thai Prime Minister Anan Panyarachun in Bangkok on Feb.27.

The letter assured the Thai leader that Vietnam will cooperate with the other sides in examining Thailand's concerns on the basis of ensuring the interests of the member countries in both upper and lower Mekong.

The Mekong Committee was established in 1957 comprising Cambodia, Laos, Thailand and Vietnam. From 1978, due to the then specific situation, Cambodia has not taken part in the committee's activities which led to the creation of the Interim Mekong Committee including Laos, Thailand and Vietnam. The assistance of the United Nations and the international community [sentence as received]. The Mekong Committee has laid down fundamental principles for the use of the water resource in conformity with international law and created a firm foundation for lasting cooperation among the member countries.

After the signing of the Paris ageement on Cambodia, Prince Norodom Sihanouk, chairman of the SNC, stated Cambodia's desire to rejoin the Mekong Committee. The plenary session of the Mekong Committee was planned for Feb.17-20, 1992 and would adopt a communique welcoming SNC participation, the Mekong Committe would resume its normal operation and an end would be put to the interim status.

However, the Thai side which wants to abolish the basic documents it had agreed upon, refused to accede to the communique prepared by the secretariat and approved by Laos, SNC and Vietnam simply welcoming Cambodia's rejoining the Mekong Committee. Thailand unilaterally declared to postpone the plenary meeting after all delegations had arrived in Bangkok.

Thailand's unilateral act has delayed the participation of the SNC in the Mekong Committee and hindered the work of the Mekong Committee and its secretariat.

Moreover, Thailand proposed to convene a six-country meeting (including China and Myanmar [Burma]) which would lead to abolition of the four-country Mekong Committee and its documents. On the other hand, Thailand pressed for the replacement of Mr. Lankerster, executive secretary of the Mekong Committee, a Canadian, aimed at crippling the work of the committee.

In Hanoi, deputy foreign minister Le Mai on February 28-29 and March 2 with the ambassadors of Thailand, Laos, Cambodia, China and Myanmar, the main countries promoters of the Mekong projects and the UNDP [United Nations development Program] representative in order to inform them of the situation and ask them to help the Mekong Committee so that it can soon resume its work with the participation of SNC. Mr Le Mai also dealt work with the participation of SNC. Mr Le Mai also dealt with questions of Thailand's concern including the expansion of the committee and amendments to the documents, which may be brought up for discussion at the coming sessions of the Mekong Committee with its four member countries, viz. Cambodia, Laos, Thailand and Vietnam.

Vietnam's position conforms not only with international law but also with the fundamental and lasting interests of the countries bordering the Mekong River as well as with the developing trend of cooperation in the region.

At his meeting with the Thai ambassador, Mr. Le Mai pointed out that the abolition of the Mekong Committee's fundamental documents as a condition for the participation of SNC in the committee as proposed by Thailand is contrary to the Paris agreement where by SNC is fully entitled to represent Cambodia in all international organization to which Cambodia had adhered without any condition attached [as received]. Thailand may propose the member countries to consider amendments to the terms in the light of the new situation but this must be done on the basis of negotiation among the member countries.

Mr. Le Mai proposed that Thailand consider this concrete issue in a way compatible with the developing relations of cooperation among the riverine countries as well as all countries in Southeast Asia.

"At his meeting with the UNDP representative, Mr. Le Mai recalled that the working status of the Mekong Committee's secretariat as well as of its executive secretary, Mr. Lankester, was the outcome of the common agreement of the member countries and it cannot be changed by unilateral imposition of one party.

Francophone Club Inaugurated in Hanoi

BK0103062592 Hanoi VNA in English 0600 GMT 1 Mar 92

[Text] Hanoi VNA March 1—A Francophonoe club was inaugurated here last night with the first participants hailing from different mass media in Hanoi.

Present on the occasion were Phan Quang, general secretary of the Vietnam Journalists Association and general director of the Voice of Vietnam radio, Mme Hoang Xuan Sinh, president of the Vietnam-France Friendship Association, and French Ambassador Claude Blanchemaison.

In his inaugural address, Phan Quang said one of the club's objects is to help promote the friendship and cooperation between the Vietnamese and French peoples and more broadly, between the Vietnamese people and the people in all the French-speaking countries.

Increasing Trade Reported With France

BK0103153192 Hanoi VNA in English 1407 GMT 1 Mar 92

[Text] Hanoi VNA March 1—The French-Vietnamese trade relations set up 40 years ago have actually developed only in recent years after Vietnam embarked on a process of economic renovation and an open-door policy. According to statistics issued in 1991, trade value between the two countries reached 1.3 billion francs or 5 percent of Vietnam's trade value with foreign countries.

Vietnam has licensed 27 investment projects of French companies totalling 276 million US dollars. France now ranks fourth among the foreign investors in Vietnam after Taiwan, Hong Kong and Australia.

Vietnam recently allowed Indosuez, the eighth largest joint stock commercial bank of France to set up a representative office in Vietnam. The bank is joining in upgrading and enlarging the Thong Nhat Metropole hotel in Hanoi, in the Alcatel postal project, and the upgrading of the Thu Duc thermo-electric power plant in Ho Chi Minh City. The bank is also involved in a personnel training programme for Vietnamese banks.

Tran Duc Luong Receives Canadian Guests

BK0203071392 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 28 Feb 92

[Text] On 26 February 1992, Council of Ministers Vice Chairman Tran Duc Luong received and had a cordial talk with a delegation of the Canadian Center for International Development Research Center (IDRC) led by its president, Mr. Keith Bezanson, on a working visit to Vietnam from 25-27 February. Also attending the reception was Professor Le Qui An, deputy director of the State Science Commission.

The goal of IDRC, which was founded in 1970 by the Canadian Parliament, is to help developing countries enhance ways to study and apply scientific and technological knowhow to the settlement of development-related problems. IDRC has funded more than 4,000 research projects in 100 developing countries worldwide.

Vietnam has maintained cooperative ties with IDRC since early 1990. So far, the center has provided our country with financial assistance to carry out a number of research projects in agriculture, information, economic policy-making, and other areas.

Attends Business Registration Workshop

BK0203053692 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 28 Feb 92

[Text] A workshop on business registration for state-operated business establishments was conducted by the state economic arbitration sector from 25-28 February 1992 in the framework of the Council of Ministers' Decree 388 concerning a preliminary summing-up of issuance of business registration certificates to the private business sector and other corporations.

Comrade Tran Duc Luong, vice chairman of the Council of Ministers, attended the workshop. Comrade Le Tai, chairman of the state economic arbitration sector, presented a recapitulative report on the sector's work performance in 1991 and a number of key tasks for 1992.

In 1991, the sector settled 3,420 cases, including 162 appeals, and prepared a document which was later promulgated by the Council of Ministers under Decree 70. The sector also worked together with the various agencies concerned in preparing a directive providing concrete guidance over the implementation of the laws on private business operations and corporations. Furthermore, it did a good job in propagandizing and disseminating the cadre training regulations.

Speaking on this occasion, on behalf of the Council of Ministers, Comrade Tran Duc Luong warmly commended the state economic arbitration sector for its achievements in 1991 and gave credit to the sector's effective contributions to the handling of disputes over economic contracts as well as of violations against economic rules and regulations. The comrade vice chairman devoted much time to clarifying the functions, duties, and role of the state economic sector as defined by the Council of Ministers' Decree 388 and stressed the state economic arbitration sector's role in restoring order among the various economic components.

Chairman Vo Van Kiet Concludes Visit to Brunei

BK0103143392 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Mar 92

[Text] On 29 February, Chairman Vo Van Kiet currently visiting Brunei, visited a number of economic establishments in the capital city of Bandar Seri Begawan, the (Salankotu Baku) Museum, the Brunei handicraft center, and the state housing project of (Lanba Kanan). On the evening of the same day, Brunei Foreign Minister Prince Mohamed Bolkiah, special representative of Sultan Hassanal Bolkiah, hosted a solemn banquet in honor of Chairman Vo Van Kiet and his entourage.

On 1 March, Chairman Vo Van Kiet and his entourage left Bandar Seri Begawan, successfully ending the first visit to the Negera Brunei Darussalam by the head of the Vietnamese Government.

Seeing Chairman Vo Van Kiet off at the airport were Dato Haji Hussein, minister of culture, youth and sports; Dato Haji Johar, minister of public health; Dato Haji Zakaria, minister of communications; and Dato Haji Mohamed Ali, deputy foreign minister.

Chairman Vo Van Kiet arrived in Vietnam on the same day, thereby successfully concluding his visit to all ASEAN member countries. The visit has ushered in a new era in the relations between Vietnam and these nations, the era of friendship and cooperation for peace and development.

Khmer Rouge Criticized for Firing at Helicopter

BK2902045292 Hanoi Voice of Vietnam in English 1000 GMT 28 Feb 92

[Station commentary]

[Text] (?Implementing) peace in Cambodia remains difficult following the signing of the Paris peace accord despite constant efforts by the Supreme National Council of Cambodia [SNC] as well as international assistance. Our commentary deals with the initial results of the peace process in Cambodia.

Cambodia has been working for a true implementation of the Paris peace accord. Since the conclusion of the accords five months ago, the SNC has convened four meetings to discuss how to implement the agreement. Regrettably, the results are not as good as expected. While other Khmer parties have been trying to abide by the accord, the faction led by Khieu Samphan, a Khmer Rouge leader, has been constantly violating the Paris agreement.

Khmer Rouge guerrillas opened fire at a UN helicopter on Wednesday, wounding Australia's senior UN army officer in the country. According to AP [ASSOCIATED PRESS], the Khmer Rouge opened fire from the ground with an 8.47mm assault rifle while the helicopter was flying at an altitude of 100 meters on a reconnaissance mission in northern Kompong Thom province.

Last week, the military commander of the UN Advance Mission in Cambodia, UNAMIC, criticized the Khmer Rouge for obstructing UN personnel stationed at the extremist group's headquarters in Pailin near the Thai border.

For its part, the UN Security Council has been considering a detailed plan for sending peacekeeping forces to Cambodia. This is a difficult problem. Despite much debate, no specific conclusions have been reached on these operations which may cost close to two billion U.S. dollars. So far, Western Europe, Japan, and the United States have not given any official answers on the financial burden they expect to be sharing in this biggest-ever UN peacekeeping operation. According to the VOICE OF AMERICA, Japan has announced that it will donate 25 million dollars to cover the cost of the operations. This fund is equal to Japan's current financial contribution to the UN fund.

Also, the UN Security Council is discussing a proposal to dispatch some 20,000 UN peacekeepers in Cambodia.

In Phnom Penh, Prince Norodom Sihanouk said he will still be glad even if the United Nations, for financial reasons, would only be sending from 5,000-10,000 personnel.

What has been mentioned about demonstrates difficulties facing the U.N. However, [word indistinct] people strongly believe that the Khmer Rouge should scrupulously abide by the Paris peace accord to create a better chance for peace in that war-ravaged country and facilitate post-war reconstruction.

Results of Vo Van Kiet's ASEAN Trip Praised

BK0203082192 Hanoi VNA in English 0612 GMT 2 Mar 92

[Text] Hanoi VNA March 2—The national daily NHAN DAN today runs an article entitled "New Period of

Vietnam-ASEAN Relations" hailing the fine results of the newly concluded visit of Premier Vo Van Kiet to the Philippines and Brunei.

The paper says:

The results of the visit to the Philippines and Brunei, together with the success of the previous visit to Indonesia, Thailand, Singapore and Malaysia of Premier Vo Van Kiet marked a new and very promising step in the relations between Vietnam and its Southeast Asian neighbours. The desiring trend in the regime is toward dialogue and promotion of mutual understanding in order to increase mutual trust and cooperation. Vietnam is carrying out an open-door foreign policy and ready to make friend with all countries, first of all its neighbours, on the basis of equality, mutual benefit and peaceful co-existence. The remarkable achievements of Vietnam's renovation in the past years have strengthened this correct foreign policy. The declaration of ASEAN to welcome all countries willing to adhere to the Bali Treaty is the convergence of the new community spirit in the region.

The paper calls on all Southeast Asia countries to put aside all obstacles and strengthen their cooperation for development so as to bring the region to a new and worthy position in the modern world. Vietnam will continue to strive together with other countries in the region to build Southeast Asia into a really peaceful, stable, friendly, free, neutral, cooperative, developed and non-nuclear region in the interest of the nations in the region and the rest of the world. The new relations between Vietnam and the ASEAN countries has opened a new and promising period for Southeast Asia, the paper says.

Party Role in Revolution Emphasized

BK2802150592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Feb 92

[Article by Tran Dinh Hung: "Build Our Party Pure, Firm, and Strong According to Ho Chi Minh Thought" in the February 1992 Issue of TAP CHI CONG TAC TU TUONG VAN HOA [JOURNAL OF IDEOLOGICAL AND CULTURAL WORK]]

[Text] Marxism-Leninism, a scientific revolutionary theory, can be put into practical use only to bring about to each nation as well as mankind, historic steps of progress made by revolutionary luminaries with lofty feelings, good ethics, and a noble sense of serving the people. This theory cannot be equated to opportunistic, demagogic, interest-seeking or arbitrary, despotic revolutionaries.

In Vietnam, Marxist-Leninist theory has been received and applied through Ho Chi Minh, a patriot, revolutionary, and great man of culture. By applying Marxism-Leninism to organizing and leading the Vietnamese people to regain independence and freedom and seek happiness, Ho Chi Minh clearly manifested his loyalty to its revolutionary and scientific characteristics. At the same time, he creatively applied and developed it under the specific conditions of our country.

Ho Chi Minh's viewpoints on the transitional period, socialism, democracy, the state, the economy, culture, society, human beings, and national and international relations, particularly his thought about party building under the conditions of party leadership and the people in control of power have enriched and deepened Marxist-Leninist theory in a comprehensive and systematic manner.

We think that first of all we should thoroughly understand the following ideas of Ho Chi Minh:

First, we must make the people conscious because the renovation and construction task is their responsibility. Both authority and force rest with the people. The people should be made to understand and believe in such major issues as socioeconomic stabilization and development, the building of a prosperous and strong country, the advance to socialism, the renovation of organizational and operational procedures of the political system, and the renovation and reorganization of the party, so that they will singlemindedly pool up their effort to ensure effective implementation. Even if the resolution is correct, but the people are not conscious and lack confidence and determination, we will still be unable to achieve anything.

Second, we must explain the theory and doctrine to the people. After decades of fierce wars our country has entered the period of peaceful construction rife with towering difficulties. The country has fallen into a serious socioeconomic crisis while discipline and ethics have declined gravely. Meanwhile, world socialism has also suffered a crisis. Many communist parties have lost their leadership and have even disintegrated. Marxism-Leninism has been criticized and judged from many directions. Opportunists and reactionaries at home and abroad have reared up their heads to oppose and attack the revolution frenziedly. This situation as a whole has vacillated a large component of our cadres, party members, and people who become suspicious and lose their faith in Marxism-Leninism and the advance to socialism.

Explaining theory and doctrine to the people constitutes a basic and pressing task that must be done regularly and continuously. This is the primary duty of all party members which cannot be neglected.

Third, the revolution requires powerful moral and material strengths. Division, factionalism, departmentalism and localism will scatter forces and weaken the revolution just like a bundle of chopsticks separated one by one and just like each member in a band playing his own tune. As a result, the party must lead to strengthen the bloc of solidarity and unity of all the people to make sure everyone is of one mind and exercise his mastery over the homeland, and share the responsibility of conducting state affairs.

National solidarity and unity and the party leadership and the conditions for ensuring their existence and development are two closely interrelated issues. Therefore, the revolution must be centralized and in this connection, there must be a revolutionary party. The centralized and unified leadership of a revolutionary party over the society is obvious and natural just like the natural needs of life.

Fourth, the party must renovate and develop itself to fulfill its mission of leading the entire people in the revolution undertaking. The party must perfect itself theoretically, because only by having a leading theory will a vanguard party be able to fulfill its mission.

A strong party, first of all, must have a unified ideology based on the principle of a correct doctrine. The Seventh CPV [Communist Party of Vietnam] Congress resolution has asserted that Marxism-Leninism and Ho Chi Minh Thought are the fundamental concepts and a compass for revolutionary action. All members of the CPV must uphold these concepts.

Second, the party must enhance its capability and intelligence to promptly formulate correct lines and resolutions. Party slogans and directives must be concrete and reflect the people's interests, and their correctness must be checked through the people. Efforts should be made to review the implementation of party slogans and directives; otherwise, they are just hollow expressions and may as well affect the people's confidence in the party.

Third, the party is an organization capable of fulfilling its historic mission. The party is not a bureaucratic body, but it is an organization that must fulfill the national liberation undertaking, build the country to be strong and prosperous, and create a happy life for the people. Those party members who try to seek privileges, adhere to corruption and opportunism, and fail to practice diligence, thrift, honesty, righteousness, and impartiality, as well as those who have no spirit in serving the people and in enhancing their awareness and capability while their words do not match their deeds, are those who behave against the principle of the genuine revolutionary party. These are the degenerate party members who must be promptly expelled from the party.

Fourth, the party must formulate a rational program of action, firmly grasp methods in struggling and organizing, and know how to combine the short- and long-term interests of the people. We must make efforts to uphold the revolutionary nature of the party tasks and organize their effective implementation while striving to consistently maintain close ties with the people. The revolutionary tasks and relationship with the people must be in close association and interrelated. We maintain a close relationship with the people in order to lead them, listen to their ideas, and finally win their confidence.

Fifth, efforts should be made to accelerate criticism and self-criticism and uphold party discipline. A strong party knows how to openly criticize its shortcomings and mistakes so as to formulate measures to overcome them. The party must admit its shortcomings and strive to overcome them to develop itself and educate its cadres and members. The party must consistently conduct criticism and self-criticism from the highest to the lowest levels and vice versa while striving to strictly maintain party discipline. Party discipline and actions must be carried out unanimously, and this is a rule. All party members must clearly realize their responsibility toward the party and the people.

While adopting a persuasive attitude towards its members, the party should also take punitive measures against those who violate discipline to set the example for party members to uphold party characteristics. The party should monitor and expel degenerate members from the party and strive to recruit and admit competent workers, peasants, intellectuals, and laborers to the party while selecting loyal and enthusiastic party members to team them into specialized leadership groups. These are the regular tasks that help build our party into a pure, firm, and strong organization.

Vo Van Kiet Sends Letter to Conference

BK2902071992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Feb 92

["Text" of letter by Council of Ministers Chairman Vo Van Kiet's to a national conference on southern news and publication held jointly by the party Central Committee Secretariat and the Council of Ministers in Ho Chi Minh City from 20-22 February—read by announcer]

[Text] Dear comrades: Culture, art, information, publication, and news constitute a very important task that is closely linked with socioeconomic activities. This field of activity has long received particular attention from our party and state.

In its report presented at a recent National Assembly session, the Council of Ministers already mentioned a number of policies and measures for cultural and art development with the intention of linking economy with culture. Today, on the occasion of this national conference on southern news and publication which is being held with the participation of a large number of leading local party and government comrades in charge of this task, including those key cadres of the cultural, information, publication, and press sector, I would like to present some of my ideas to the conference for joint discussion.

Dear comrades: First of all, we should clearly realize the relationship between the open-door economic policy and the broadening of cultural exchanges with foreign countries. Economically, we are ready to befriend all nations in the world because applying the market economy is an objective inevitability to build the country—making the people prosperous and the country powerful. But opening the country's door economically does not mean that we no longer protect our national sovereignty and guarantee our national independence and sovereignty, for failing to do so will lead us to depend on the outside. Culturally, cultural exchanges between nations and peoples are a natural process. But if we carry out this task indiscriminately and unprudently, it will definitely lead us to disastrous consequences.

Some people believed that recent troubles in the fields of culture, information, publication, and news were due to the practice of the market system. In fact, this was not completely so. While constantly increasing their business with foreign countries, many countries adjacent to us, although being inherently market-oriented, continue to consistently advocate preserving and developing their national culture. In Asia, many countries with a high economic growth rate have held high the slogan of national tradition and modern technology in their national construction.

In our region, a certain nation with a population of less than three million is still able to manage to maintain the wholesomeness of its society despite the arrival of six million tourists a year. Whereas, in Vietnam, a country with a population of nearly 70 million, the total figures of foreign investment and tourists' arrivals are unremarkable. Yet, the pollution of its cultural environement with a direct impact on its society has reached an alarming proportion.

It can be affirmed that the market system is neither the root cause nor the essential factors for our cultural and social decadence. It should be further clarified that even the system of bureaucratic centralism with state subsidies did not advocate totally closing the country to the outside world nor imposing any restrictions on cultural exchanges with foreign countries.

Experience obtained by countries in the world and in the region shows that along with economic construction, we should strive to preserve and develop our national culture. Naturally, we should not close our country to the outside world or to turn it into a xenophobic one. We should instead always acquire in a collective fashion the quintessences of the world culture.

Every nation has its own cultural tradition. Developing national culture is aimed precisely at contributing to further enriching the cultural wealth of various nations in the region and the world.

Preserving our national culture along with acquiring the quintessences of the oriental and world culture will make our national culture even more diversified and will contribute to further enriching the world culture.

Thus, cultural exchanges between countries are necessary and beneficial to every nation. The point is that we shoud pay attention to preventing the tendency of unselectively importing those cultural ideas foreign to us, including the wastes of those obsolete cultural products disposed of by civilized nations.

Here I would like to refer to southern provinces where under the old regime, cultural venoms enjoyed favorable conditions to infiltrate into our society and disrupt it, thus serving as a support for the rule of reactionary forces. Yet, right from behind the enemy's line, our compatriots initiated many movements to protect national culture, Vietnam's customs and traditions, human dignities, and so forth. Facts show that the heavier the pressure of venomous cultures, the stronger will be the resistance of our national culture.

Following the total liberation of the south, a constant struggle has taken place between the vestiges of the old, hybrid, and neocolonialist culture and the national and revolutionary culture and art. We have helped restore the genuine human values of a not inconsiderable number of youths of both sexes and have turned them into citizens truly useful to the nation.

In recent years, due to the misunderstanding of our open-door economic policy through the unselective import of unhealthy foreign cultural products and also due to misintepretation of the market system when it comes to exercising control over various cultural and art sectors, we have relaxed our control and have let various professional cultural profiteers, including degenerated and deviant party cadres and members, go on the rampage.

Public opinion has time and again condemned various persons for having illegally reprinted a not inconsiderable quantity of those decadent books published under the old regime; for having emulated in printing reviews, Sunday magazines, and newspaper supplementary pages with disguised and nonsensical contents; for having massively poured onto the market various kinds of legendary, chivalrous, kung-fu storybooks and reproduced many music and video cassette tapes with unhealthy contents; for having printed a number of books and publications with sexually suggestive and violence-inciting pictures, thus sowing the seeds of debased tastes; and for having cooperated with foreign countries in making movie films in an irresponsible fashion and in releasing a number of publications with venomous contents resulting in adverse consequences, etc.

What has made us extremely painful is that in Ho Chi Minh City and in many other cities and towns, indications of uncontrolled and debauched activities that are creating an eyeshore to the public have resurfaced such as dimly lit coffee houses, beer bars with comfort girls, and the like.

Also, it is necessary to sternly criticize the practice of not using Vietnamese but foreign names by business organizations on their signboards. Even worse, in a number of populated centers and along various main communication axes such as the areas around the Ben Thanh market, the General Department Store in downtown Ho Chi Minh city, and the entrance to the Tan Son Nhut airport, numerous huge billboards and signboards have been put up with foreign languages, thus giving passers-by the impression of traveling into a foreign land and not in Vietnam.

We should not regard these signs as a goodwill of the open-door policy but should instead realize that they are a shame because the people involved did not not know how to maintain their self-respect and their national pride.

We should unfailingly realize that the adverse effects of cultural decadence and other social vices are very dangerous. Not only have they adversely affected the entire society but they have also had a bad impact on the emotional psychology and ethnical qualities of the younger generations. Here I would like to lay the emphasis on those youngsters in southern localities who are now around 20 years of age—the people who were born and grew up under our regime. As for northern youths, the time they spent under the new regime is much longer. If the latter become decadent in their qualities and lifestyle, they would definitely not be regarded as the products of the cultural vestiges left by the old regime.

Then where does the responsibility for this lie? I think that the main reason for this situation is not due to the practice of the market system. Generally speaking, the responsibility rests with the leadership of the party and the administration at various levels and with various mass organizations. But we should scrupulously and frankly point out that this responsibility rests chiefly with those in charge of culture, art, information, publication, and news.

We should also not belitte this responsibility. It can be said that this is a phenomenon of serious ethical decline of a number of people working in state organs or mass organizations, for they have been directly involved in profiting from and exploiting various obsolete and dacadent cultures for money. Is this an overstatement?

Everyone knows that in recent years we have uncovered many phenomena of decadence in certain aspects of our cultural, artistic, publication, and news activities as already said above. But because we have not wholeheartedly traced those people responsible for criminal responsibility and have not promptly and scrupulously dealt with violations, we have, in numerous cases, aroused public indignation. Therefore, we should be very scrupulous and prudent to realize the situation and clearly determine the responsibility so we can deal with violators decisively.

Dear comrades: The need to continue renovating the economy and seizing opportunities to step up the national construction is now constituting a pressing demand. We should overcome the alarming degradation in culture and social life.

Speaking about culture is speaking about the nation. A nation that loses its cultural tradition and identity will lose everything as cultural decadence will directly hamper the process of economic construction and will make it impossible to carry out its economic construction successfully. This is because econmy and culture are the two essential contents of the survival and growth of a nation.

To carry out economic construction, we need those people who are trained and forged in a wholesome cultural environment. This can only be guaranteed through correctly-guided and oriented various cultural, artistic, infomation, publication, and news activities.

In the period ahead, efforts to attract investment, broaden businesses with foreign countries, and develop tourism and so forth will increasingly require us to attach importance to the preservation of our traditional culture and to selectively acquire the quintessence of foreign cultures. Failing to do so, the benefits obtained in broadening our business with the outside world will not be able not make up for the great damage sustained in the domains of culture and social life.

We should definitely affirm that doing away with sociocultural decadences and improving, preserving, and developing our national culture are practicable. We possess a praiseworthy tradition originated from various vehement struggles against enslaved culture right from behind the enemy's line during the wonderful years of our nation's two heroic wars of resistance.

Guidelines for sociocultural renovation have been determined by our party and state and have been increasingly supplemented and perfected. A praiseworthy force is the contingent of cadres in charge of the cultural and ideological front and a large number of writers and artists who, with good enthusiasm and willingness, are constantly struggling to preserve and develop national culture. On this basis, I am firmly convinced that we are totally able to preserve and improve the quintessences of our Vietnamese people's cultural traditions and their national identity. This is a great responsibility of our party and state, a lofty obligation of our entire party cadres and members and of every patriotic Vietnamese citizen who are cherishing a wholesome and beautiful life, and also a direct duty of those comrades attending this conference.

I think that struggling to achieve the goal of improving the cultural and spiritual life of the people and building a new culture, new way of life, and new men should be started with every family as outlined by the party in its strategy for socioeconomic stabilization and development. Not only is this our lofty mandate toward our fatherland and compatriots but it is also a gesture of gratitude to our forefathers and those preceding revolutionary fighters who have selflessly fought and sacrificed themselves for the cause of building a new culture in Vietnam.

It should be further noted that in the current international situation, the effects of culture and information are of specific significance for patriotism and revolutionary idealism for all the people. In the world's current spiritual life, there emerges a trend among various nations to gradually approach one another culturally through the strengthening and broadening of their cultural exchanges. But reactionary forces, under their peaceful evolution scheme, are capitalizing on this trend to intensively carrying out their aggressive policy by means of culture and information.

Dear comrades: Life has taught us that the more we practice our open-door economic policy, the more we will have to consolidate the steadfastness of our sense of independence and sovereignty; and the more we broaden our economic and cultural exchanges, the more we will have to strive to preserve cultural tradition of our Vietnamese people and maintain their national identity. To us, the forthcoming five years will be a period full of ordeals. Apart from those new difficulties and ordeals, we will enjoy new advantages and even new opportunities. With our intelligence and creativity and with our inherent patriotic tradition and revolutionary nature, we should seize all opportunities to continue implementing the renovation undertaking in various domains—economic, cultural, and welfare—to constantly move our country forward.

These ideas are what I wish to raise for you, comrades, to discuss.